

**INTERCONNECTION AGREEMENT- UNDER SECTIONS 251 AND 252
OF THE TELECOMMUNICATIONS ACT OF 1996**

Between

**Illinois Bell Telephone
Company d/b/a Ameritech Illinois,**

and

TDS METROCOM, INC.

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INTERCONNECTION AGREEMENT

This Interconnection Agreement - under Sections 251 and 252 of the Telecommunications Act of 1996 (Agreement) is dated as of _____, 2000 by and between **Illinois Bell Telephone Company d/b/a Ameritech Illinois**, and, TDS Metrocom, Inc. ("CLEC") (a _____ corporation), shall apply to the state of Illinois.

WHEREAS, CLEC represents that it is, or intends to become, a provider of Telephone Exchange Service to residential and business End Users

WHEREAS, the Parties want to Interconnect their networks at mutually agreed upon points of interconnection to provide, directly or indirectly, Telephone Exchange Services and Exchange Access to residential and business End Users in the states which are subject to this Agreement; and

WHEREAS, the Parties are entering into this Agreement to set forth the respective obligations of the Parties and the terms and conditions under which the Parties will Interconnect their networks and facilities and provide to each other services as required by the Telecommunications Act of 1996 as specifically set forth herein; and

WHEREAS, for purposes of this Agreement, CLEC intends to operate where **Illinois Bell Telephone Company d/b/a Ameritech Illinois** is the incumbent Local Exchange Carrier and CLEC, a competitive Local Exchange Carrier, has or, prior to the provisioning of any Interconnection, access to unbundled Network Elements, Telecommunications Services or any other functions, facilities, products or services hereunder, will have been granted authority to provide certain local Telephone Exchange Services in the foregoing ILEC Service areas by the appropriate State Commission

NOW, THEREFORE, in consideration of the premises and the mutual covenants of this Agreement TDS and **AMERITECH-ILLINOIS** hereby agree as follows:

This Agreement is composed of General Terms and Conditions, which are set forth below, together with certain Appendices, Schedules, Exhibits and Addenda which immediately follow this Agreement, all of which are hereby incorporated in this Agreement by this reference and constitute a part of this Agreement.

GENERAL TERMS AND CONDITIONS

1.0 INTRODUCTION AND SCOPE OF AGREEMENT

- 1.1 This Agreement sets forth the terms, conditions and prices under which **AMERITECH-ILLINOIS** agrees to provide (a) services for resale (hereinafter referred to as Resale services), (b) unbundled Network Elements, (c) Ancillary Functions and (d) Interconnection to TDS. This Agreement also sets forth the terms and conditions for the interconnection of TDS's network to **AMERITECH-ILLINOIS**' network and compensation for the transport and termination of telecommunications.
- 1.2 The Network Elements or Resale Services provided pursuant to this Agreement may be connected to other Network Elements or Resale Services provided by **AMERITECH-ILLINOIS** or to any network components provided by TDS itself or by any other vendor. Subject to the requirements of this Agreement, TDS may at any time add, delete relocate or modify the Resale Services, Network Elements purchased hereunder.
- 1.3 Except as provided in this Agreement, during the term of this Agreement, **AMERITECH-ILLINOIS** will not discontinue, as to TDS, any Network Element, or Ancillary Functions offered to TDS hereunder. This Section is not intended to impair **AMERITECH-ILLINOIS**' ability to make changes in its Network, so long as such changes are consistent with the Act and do not result in the discontinuance of the offerings of Network Elements or Ancillary Functions made by **AMERITECH-ILLINOIS** to TDS as set forth in the terms of this Agreement.
- 1.4 **AMERITECH-ILLINOIS** may fulfill the requirements imposed upon it by this Agreement by itself or may cause its Affiliates to take such actions to fulfill the responsibilities.
- 1.5 This Agreement includes and incorporates herein all accompanying Appendices, Addenda and Exhibits.
- 1.6 Unless otherwise provided in the Agreement, **AMERITECH-ILLINOIS** will perform all of its obligations concerning its offering of Resale Services and Unbundled Network Elements under this Agreement throughout the entire service area where **AMERITECH-ILLINOIS** is deemed to be the Incumbent Local Exchange Carrier under the Act.; provided, that SBC/AMERITECH's obligations to provide Ancillary Functions or to meet other requirements of the Act covered by this Agreement are not necessarily limited to such service areas. provided, that SBC/AMERITECH's obligations to provide Ancillary Functions or to meet other requirements of the Act covered by this Agreement are not necessarily limited to such service areas.

2. DEFINITIONS

Capitalized Terms used in this Agreement shall have the respective meanings specified below in, Section 2.x of each Appendix attached hereto, and/or as defined elsewhere in this Agreement.

2.1 GENERAL DEFINITIONS

- 2.1.1 **“A-link”** means a diverse pair of facilities connecting local end office switching centers with Signaling Transfer Points.
- 2.1.2 **“Act”** means the Communications Act of 1934 [47 U.S.C. 153(R)], as amended by the Telecommunications Act of 1996, Public Law 104-104, 110 Stat. 56 (1996) codified throughout 47 U.S.C.
- 2.1.3 **“Access Compensation”** is the compensation paid by one Party to the other Party for the origination/termination of intraLATA toll calls to/from its End User. Access compensation is in accordance with the LEC's tariffed access rates.
- 2.1.4 **“Access Service Request” (ASR)** is an industry standard form used by the Parties to add, establish, change or disconnect trunks for the purposes of Interconnection.
- 2.1.5 **“Advanced Services”** means intrastate or interstate wireline Telecommunications Services, such as ADSL, IDSL, xDSL, Frame Relay, Cell Relay and VPOP-Dial Access Service (an **AMERITECH-ILLINOIS** Frame Relay-based service) that rely on packetized technology and have the capability of supporting transmissions speeds of at least 56 kilobits per second in both directions. This definition of Advanced Services does not include:
 - 2.1.5.1 Data services that are not primarily based on packetized technology, such as ISDN,
 - 2.1.5.2 x.25-based and x.75-based packet technologies, or
 - 2.1.5.3 Circuit switched services (such as circuit switched voice grade service) regardless of the technology, protocols or speeds used for the transmission of such services.
- 2.1.6 **“Affiliate”** is As Defined in the Act.

- 2.1.7 **“Alternate Billing Service (ABS)”** means a service that allows End Users to bill calls to accounts that may not be associated with the originating line. There are three types of ABS calls: calling card, collect and third number billed calls.
- 2.1.8-2.1.11 Not Used
- 2.1.12 **AM-IL** - As used herein, **AM-IL** means the applicable SBC-owned ILEC doing business in Illinois.
- 2.1.13 **“Applicable Law”** means all laws, statutes, common law, regulations, ordinances, codes, rules, guidelines, orders, permits, tariffs and approvals, including those relating to the environment or health and safety, of any Governmental Authority that apply to the Parties or the subject matter of this Agreement.
- 2.1.14 **“As Defined in the Act”** means as specifically defined by the Act.
- 2.1.15 **“As Described in the Act”** means as described in or required by the Act.
- 2.1.16 **“Automated Message Accounting” (AMA)** is a structure inherent in switch technology that initially records Telecommunication message information. AMA format is contained in the Automated Message Accounting document published by Telcordia (formerly known as Bellcore) as GR-1100-CORE, which defines and amends the industry standard for message recording.
- 2.1.17 **“Billed Number Screening (BNS)”** means a validation of toll billing exception (TBE) data and performance of public telephone checks; i.e., determining if a billed line is a public (including those classified as semi-public) telephone number.
- 2.1.18 **“Bona Fide Request” (BFR)** is the process described in the applicable Appendix UNE.
- 2.1.19 **“Business Day”** means Monday through Friday, excluding holidays on which the applicable SBC-owned ILEC does not provision new retail services and products.
- 2.1.20 **“Busy Line Verification” (BLV)** means a service whereby an End User requests an operator to confirm the busy status of a line.
- 2.1.21 **“CABS”** means the Carrier Access Billing System.

- 2.1.22 **“Calling Card Service”** means a service that enables a calling End User to bill a telephone call to a calling card number with or without the help of an operator.
- 2.1.23 **“Calling Name Database”** means a Party’s database containing current Calling Name Information, including the Calling Name Information of any telecommunications company participating in that Party’s Calling Name Database. A Calling Name Database may be part of, or separate from, a LIDB.
- 2.1.24 **“Calling Name Delivery Service (CNDS)”** means a service that enables a terminating End User to identify the calling party by a displayed name before a call is answered. The calling party’s name is retrieved from a Calling Name Database and delivered to the End User’s premise between the first and second ring for display on compatible End User premises equipment.
- 2.1.25 **“Calling Name Information”** means a Telecommunications Carrier’s records of its End Users names associated with one or more assigned ten-digit telephone numbers.
- 2.1.26 **“Calling Number Delivery”** means a feature that enables an End User to view the directory number of the calling party on a display unit.
- 2.1.27 **“Calling Party Number” (CPN)** means a Signaling System 7 “SS7” parameter whereby the ten (10) digit number of the calling Party is forwarded from the End Office.
- 2.1.28 **“Centralized Message Distribution System” (CMDS)** means the transport system that LECs use to exchange outcollect and Carrier Access Billing System “CABS” access messages among each other and other Parties connected to CMDS.
- 2.1.29 **“Central office switch” (Central Office)** is a switching entity within the public switched telecommunications network, including but not limited to:
- 2.1.29.1 **“End Office Switch” or “End Office”** is a switching machine that directly terminates traffic to and receives traffic from purchasers of local exchange services. An End Office Switch does not include a PBX.

- 2.1.29.2 **“Tandem Office Switch” or “Tandem(s)”** are used to connect and switch trunk circuits between and among other Central Office Switches. A Tandem Switch does not include a PBX.
- 2.1.30 **“CNAM Query”** means a LIDB Service Application that allows CLEC to query a Calling Name Database for Calling Name Information in order to deliver that information to CLEC’s local CNDS subscribers.
- 2.1.31 **“CNAM Query Rate”** means a rate that applies to each CNAM Query received at the SCP where the Calling Name Database resides.
- 2.1.32 **“Collocation”** is As Described in the Act. Terms related to collocation are defined in the applicable Appendix Collocation.
- 2.1.33 **“Commercial Mobile Radio Services” (CMRS)** means Commercial Mobile Radio Service, As Defined in the Act and FCC rules.
- 2.1.34 **“Commission”** means the **Public Service Commission of Illinois (PSC-WI)**
- 2.1.35 **“Common Channel Signaling” (CCS)** means an out-of-band, packet-switched, signaling network used to transport supervision signals, control signals, and data messages. It is a special network, fully separate from the transmission path of the public switched network. Unless otherwise agreed by the Parties, the CCS protocol used by the Parties shall be SS7.
- 2.1.36 **“Common Language Location Identifier” (CLLI)** codes provide a unique 11-character representation of a network interconnection point. The first 8 characters identify the city, state and building location, while the last 3 characters identify the network component.
- 2.1.37 **“Consequential Damages”** means Losses claimed to have resulted from any indirect, incidental, reliance, special, consequential, punitive, exemplary, multiple or any other Loss, including damages claimed to have resulted from harm to business, loss of anticipated revenues, savings, or profits, or other economic Loss claimed to have been suffered not measured by the prevailing Party's actual damages, and regardless of whether the Parties knew or had been advised of the possibility that such damages could result in connection with or arising from anything said, omitted, or done hereunder or related hereto, including willful acts or omissions.

- 2.1.38 **“Customer Usage Data”** means the Telecommunications Services usage data of a CLEC End User measured in minutes, sub-minute increments, message units, or otherwise, that is recorded by **AMERITECH-ILLINOIS** and forwarded to CLEC.
- 2.1.39 **“Custom Local Area Signaling Service Features” (CLASS Features)** means certain Common Channel Signaling based features available to End Users, including: Automatic Call Back; Call Trace; Distinctive Ringing/Call Waiting; Selective Call Forward; and Selective Call Rejection.
- 2.1.40 **“End Users”** means a third-party residence or business that subscribes to Telecommunications Services provided by any of the Parties at retail. As used herein, the term "End Users" does not include any of the Parties to this Agreement with respect to any item or service obtained under this Agreement.
- 2.1.41 **“Customer Name and Address Information” (CNA)** means the name, service address and telephone numbers of a Party’s End Users for a particular Exchange Area. CNA includes nonpublished listings, coin telephone information and published listings.
- 2.1.42 **“Delaying Event”** means (a) any failure of a Party to perform any of its obligations set forth in this Agreement, caused in whole or in part by:
- 2.1.42.1 the failure of the other Party to perform any of its obligations set forth in this Agreement, including but not limited to a Party’s failure to provide the other Party with accurate and complete Service Orders;
 - 2.1.42.2 any delay, act or failure to act by the other Party or its End User, agent or subcontractor; or
 - 2.1.42.3 any Force Majeure Event.
- 2.1.43 **“Dialing Parity”** is As Defined in the Act. As used in this Agreement, Dialing Parity refers to both Local Dialing Parity and Toll Dialing Parity.
- 2.1.44 **“Digital Signal Level”** is one of several transmission rates in the time-division multiplex hierarchy.
- 2.1.44.1 **“Digital Signal Level 0” (DS-0)** is the 64 Kbps zero-level signal in the time-division multiplex hierarchy.

- 2.1.44.2 **“Digital Signal Level 1” (DS-1)** is the 1.544 Mbps first-level signal in the time-division multiplex hierarchy.
- 2.1.44.3 **“Digital Signal Level 3” (DS-3)** is the 44.736 Mbps third-level signal in the time-division multiplex hierarchy.
- 2.1.45 **“Digital Subscriber Line” (DSL)** is as defined in the applicable Appendix DSL and/or the applicable tariff, as appropriate.
- 2.1.46 **“Electronic File Transfer”** is any system or process that utilizes an electronic format and protocol to send or receive data files.
- 2.1.47 **“Enhanced Service Provider” (ESP)** is a provider of enhanced services as those services are defined in 47 CFR Section 64.702.
- 2.1.48 **“Exchange Access”** is As Defined in the Act.
- 2.1.49 **“Exchange Area”** means an area, defined by the Commission, for which a distinct local rate schedule is in effect.
- 2.1.50 **“Exchange Message Interface” (EMI)** (formerly Exchange Message Record - EMR) is the standard used for exchange of Telecommunications message information among Telecommunications Carriers for billable, non-billable, sample, settlement and study data. EMI format is contained in Telcordia Practice BR-010-200-010, CRIS Exchange Message Record.
- 2.1.51 **“Exchange Service”** means Telephone Exchange Service, As Defined in the Act.
- 2.1.52 **“Feature Group A” (FGA)** means calls either originated by, or delivered to, an End User who has purchased switched access FGA service from the interstate or intrastate tariffs of either Party. FGA also includes, but is not limited to, FGA-like services provided by either Party, where calls are originated from and/or delivered to numbers which are assigned to a Rate Center within one LATA but where the Party receiving the call is physically located in a LATA different than the LATA of the Party originating the call. The intercarrier compensation mechanism as well as additional definitions for FGA are specified in the appropriate Appendix FGA.
- 2.1.53 **“Feature Group D” (FG-D)** is access available to all customers, providing trunk side access to a Party’s End Office Switches with an associated uniform 101XXXX access code for customer’s use in originating and terminating communications.

- 2.1.54 **“FCC”** means the Federal Communications Commission.
- 2.1.55 **“Foreign Exchange” (FX)** means a service whereby calls either originated by or delivered to a customer who has purchased FX service from the state or interstate tariffs of either Party. FX also includes, but is not limited to, FX-like services provided by either Party where calls are originated from and/or delivered to numbers which are assigned to a Rate Center within one local calling area but where the Party receiving the call is physically located outside of that local calling area. FX service can be either interLATA or intraLATA. InterLATA FX, where the originating and receiving parties are physically located in different LATAs, is considered equivalent to FGA and the intercarrier compensation mechanism is the same as FGA. IntraLATA FX, when provided by two or more local exchange carriers “LECs”, is considered a jointly provided service and meet-point billed by those providing it utilizing a mutually agreed to meet-point billing, or meet-point billing like procedure.
- 2.1.56 **“Governmental Authority”** means any federal, state, local, foreign, or international court, government, department, commission, board, bureau, agency, official, or other regulatory, administrative, legislative, or judicial authority with jurisdiction over the subject matter at issue.
- 2.1.57 **“Group Record”** means information in LIDB and/or the LIDB administrative system that is common to all telephone numbers in an NPA-NXX or all Special Billing Numbers in an NPA-0/1XX.
- 2.1.58 **“Incumbent Local Exchange Carrier” (ILEC)** is As Defined in the Act.
- 2.1.59 **“Intellectual Property”** means copyrights, patents, trademarks, trade secrets, mask works and all other intellectual property rights.
- 2.1.60 **“Integrated Services Digital Network” (ISDN)** means a switched network service that provides end-to-end digital connectivity for the simultaneous transmission of voice and data. Basic Rate Interface-ISDN (BRI-ISDN) provides for a digital transmission of two 64 Kbps bearer channels and one 16 Kbps data channel (2B+D).
- 2.1.61 **“Interconnection”** is As Defined in the Act.
- 2.1.62 **“Interexchange Carrier” (IXC)** means a carrier that provides, directly or indirectly, interLATA or intraLATA Telephone Toll Services.
- 2.1.63 **“InterLATA”** is As Defined in the Act.

- 2.1.64 **“Intermediate Distribution Frame” (IDF)** is a second frame that augments an existing Main Distribution Frame. Lines or outside cables do not terminate on the IDF.
- 2.1.65 **“Internet Service Provider” (ISP)** is an Enhanced Service Provider that provides Internet Services, and is defined in paragraph 341 of the FCC’s First Report and Order in CC Docket No. 97-158.
- 2.1.66 **“IntraLATA Toll Traffic”** means the IntraLATA traffic between two locations within one LATA where one of the locations lies outside of the normal local calling area as defined by the applicable Commission.
- 2.1.67 **“LIDB Editor”** means a SCP tool that bypasses the LIDB administrative system and provides emergency access to LIDB for data administration.
- 2.1.68 **“Line Information Data Base” (LIDB)** means a transaction-oriented database system that functions as a centralized repository for data storage and retrieval. LIDB is accessible through CCS networks. LIDB contains records associated with End User line numbers and special billing numbers. LIDB accepts queries from other network elements and provides return result, return error, and return reject responses as appropriate. Examples of information that Data Owners might store in LIDB and in their Line Records are: ABS Validation Data, Originating Line Number Screening (OLNS) data, ZIP Code data, and Calling Name Information.
- 2.1.69 **“LIDB Service Applications”** means the query types accepted for access to LIDB information.
- 2.1.70 **“Line Record”** means information in LIDB and/or the LIDB administrative system that is specific to a single telephone number or Special Billing Number.
- 2.1.71 **“Local Access Transport Area” (LATA)** is As Defined in the Act.
- 2.1.72 **“Local Exchange Carrier” (LEC)** is As Defined in the Act.
- 2.1.73 **“Local Exchange Routing Guide” (LERG)** is a Telcordia Reference document used by Telecommunications Carriers to identify NPA-NXX routing and homing information as well as Network element and equipment designations.

- 2.1.74 **“Local Calls”**, for purposes of intercarrier compensation, is traffic where all calls are within the same common local and common mandatory local calling area, i.e., within the same or different SBC Exchange(s) that participate in the same common local mandatory local calling area approved by the applicable state Commission. Local Calls must actually originate and actually terminate to parties physically located within the same common local or common mandatory local calling area.
- 2.1.75 **“Local Number Portability”** means the ability of users of Telecommunications Services to retain, at the same location, the presence of a previously existing telephone number(s).
- 2.1.76 **“Location Routing Number” (LRN)** is a ten (10) digit number that is assigned to the network switching elements (Central Office – Host and Remotes as required) for the routing of calls in the network. The first six (6) digits of the LRN will be one of the assigned NPA NXX of the switching element. The purpose and functionality of the last four (4) digits of the LRN have not yet been defined but are passed across the network to the terminating switch.
- 2.1.77 **“Local Service Provider” (LSP)** is the LEC that provides retail local Exchange Service to an End User. The LSP may or may not provide any physical network components to support the provision of that End User’s service.
- 2.1.78 **“Loss” or “Losses”** means any and all losses, costs (including court costs), claims, damages (including fines, penalties, and criminal or civil judgments and settlements), injuries, liabilities and expenses (including attorneys’ fees).
- 2.1.79 **“MECAB”** refers to the Multiple Exchange Carrier Access Billing document prepared by the Billing Committee of the Ordering and Billing Forum “OBF”, which functions under the auspices of the Carrier Liaison Committee “CLC of the Alliance for Telecommunications Industry Solutions “ATIS”. The MECAB document, published by ATIS as ATIS/OBF- MECAB- Issue 6, February 1998, contains the recommended guidelines for the billing of access services provided to an IXC by two or more LECs, or by one LEC in two or more states within a single LATA.
- 2.1.80 **“MECOD”** refers to the Multiple Exchange Carriers Ordering and Design Guidelines for Access Services - Industry Support Interface, a document developed by the Ordering/Provisioning Committee of the OBF, which functions under the auspices of the CLC of ATIS. The MECOD

document, published by ATIS as ATIS/OBF- MECAB- Issue 3, February 1993, establishes methods for processing orders for access service which is to be provided to an IXC by two or more telecommunications providers.

- 2.1.81 **“Meet-Point Billing” (MPB)** refers to the billing associated with interconnection of facilities between two or more LECs for the routing of traffic to and from an IXC with which one of the LECs does not have a direct connection. In a multi-bill environment, each Party bills the appropriate tariffed rate for its portion of a jointly provided Switched Exchange Access Service.
- 2.1.82 **“Meet-Point Trunks/Trunk Groups” (MPTGs)** are used for the joint provision of Switched Access services, pursuant to Telcordia Technical References GR-394-CORE “GR-394” and GR-317-CORE “GR-317”. MPTGs are those between a local End Office and an Access Tandem as described in FSD 20-24-0000 and 20-24-0300.
- 2.1.83 **“Multiple Bill/Single Tariff”** is the meet-point billing method where each LEC prepares and renders its own meet point bill to the IXC in accordance with its own tariff for that portion of the jointly provided Switched Access Service which that LEC provides. The MECAB documents refer to this method as Multiple Bill/reflecting a single tariff (MM).
- 2.1.84 **“Mutual Compensation”** is the compensation agreed upon by the Parties for those “Local Calls” that originate on one network and terminate on the other network.
- 2.1.85 **“Network Data Mover” (NDM)** is an industry standard protocol for transferring information electrically.
- 2.1.86 **“Network Element”** is As Defined in the Act.
- 2.1.87 **“North American Numbering Plan” (NANP)** A numbering architecture in which every station in the NANP Area is identified by a unique ten-digit address consisting of a three-digit NPA code, a three digit central office code of the form NXX, and a four-digit line number of the form XXXX.
- 2.1.88 **“Numbering Plan Area” (NPA)** also called area code. An NPA is the 3-digit code that occupies the A, B, C positions in the 10-digit NANP format that applies throughout the NANP Area. NPAs are of the form NXX, where N represents the digits 2-9 and X represents any digit 0-9. In the NANP, NPAs are classified as either geographic or non-geographic. a) Geographic NPAs are NPAs which correspond to discrete geographic

areas within the NANP Area. b) Non-geographic NPAs are NPAs that do not correspond to discrete geographic areas, but which are instead assigned for services with attributes, functionalities, or requirements that transcend specific geographic boundaries. The common examples are NPAs in the N00 format, e.g., 800.

- 2.1.89 **“Number Portability”** is As Defined in the Act.
- 2.1.90 **“NXX” or “Central Office Code”** is the three-digit switch entity indicator that is defined by the fourth through sixth digits of a 10-digit telephone number within the NANP. Each NXX Code contains 10,000 station numbers.
- 2.1.91 **“Ordering and Billing Forum” (OBF)** is a forum comprised of local telephone companies and inter-exchange carriers whose responsibility is to create and document Telecommunication industry guidelines and standards.
- 2.1.92 **“Originating Point Code” (OPC)** means a code assigned to identify CLEC’s system(s) that originate SS7 messages, including LIDB Service Queries.
- 2.1.93 **“Party”** means either CLEC or the **SBC**-owned ILEC; use of the term “Party” includes each of the **SBC**-owned ILEC(s) that is a party to this Agreement. **“Parties”** means both CLEC and the **SBC**-owned ILEC; use of the term “Parties” includes each of the **SBC**-owned ILEC(s) that is a party to this Agreement.
- 2.1.94 **“Permanent Number Portability” (PNP)** is a long term method of providing LNP using LRN.
- 2.1.95 **“Point of Interconnection” (POI)** is a physical location at which the Parties’ networks meet for the purpose of establishing Interconnection. POIs include a number of different technologies and technical interfaces based on the Parties’ mutual agreement.
- 2.1.96 **“Physical Collocation”** is as defined in applicable Appendix Collocation or applicable tariff, where applicable.

2.1.97 “**Rate Center Area**” means the following in each applicable area:

2.1.97.1 **SBC-AMERITECH**

2.1.97.1.1 “Rate Center” means the specific geographic point that has been designated by a given LEC as being associated with a particular NPA-NXX code that has been assigned to the LEC for its provision of Telephone Exchange Service. The Rate Center is the finite geographic point identified by a specific V&H coordinate, which is used by that LEC to measure, for billing purposes, distance sensitive transmission services associated with the specific Rate Center.

2.1.97 “**Rating Point**” means the V&H coordinates associated with a particular telephone number for rating purposes.

2.1.98 “**Reference of Calls**” refers to a process by which calls are routed to an announcement that states the new telephone number of an End User.

2.1.100 **SBC Communications Inc. (SBC)** means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company, and/or Illinois Bell, Inc. d/b/a Ameritech Illinois.

2.1.101 **SBC-AMERITECH** - As used herein, **SBC-AMERITECH** means the applicable SBC owned ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio, and Illinois.

2.1.104 **SBC-10STATE** - As used herein, **SBC-10STATE** means an the applicable SBC owned ILEC(s) doing business in Arkansas, Illinois, Indiana, Kansas, Michigan, Missouri, Ohio, Oklahoma, Texas, and Illinois.

2.1.105 **SBC-12STATE** - As used herein, **SBC-12STATE** means the applicable SBC owned ILEC(s) doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Illinois.

- 2.1.106 **SBC-13STATE** - As used herein, **SBC-13STATE** means the applicable SBC owned ILEC(s) doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Illinois.
- 2.1.107 **“Service Control Point” (SCP)** is the node in the common channel signaling network that accepts Queries for certain Database services. The SCP is a real time database system that receives Queries from service platforms, performs subscriber or application-specific service logic, and then sends a Response back to the Query-originating platform. Such service platforms can be Service Switching Points (SSPs) or other network nodes capable of properly formatting and launching Queries.
- 2.1.108 **“Service Management System” (SMS)** means an off-line system used to access, create, modify, or update information in a Database.
- 2.1.109 **“Service Provider Number Portability” (SPNP)** is synonymous with Permanent Number Portability “PNP”.
- 2.1.110 **“Service Switching Point” (SSP)** is a telephone central office switch equipped with a Signaling System 7 (SS7) interface.
- 2.1.111 **“Signaling System 7” (SS7)** means a signaling protocol used by the CCS Network.
- 2.1.112 **“Signal Transfer Point” (STP)** performs a packet switching function that routes signaling messages among Service Switching Points (SSP), Service Control Points (SCP), Signaling Points (SP), and other STPs in order to set up calls and to query databases for Advanced Services.
- 2.1.113 **“Sleuth”** means an off-line administration system that monitors suspected occurrences of ABS-related fraud.
- 2.1.114 **“Special Billing Number” SBN** means a Line Record in LIDB that is based on an NXX-o/1XX numbering format. NXX-0/1XX numbering formats are similar to NPA-NXX formats except that the fourth digit of a SBN is either a zero (0) or a one (1).
- 2.1.115 **“State Abbreviation”** means the following:
- 2.1.115.1 “AR” means Arkansas
 - 2.1.115.2 “CA” means California
 - 2.1.115.3 “CT” means Connecticut

- 2.1.115.4 “IL” means Illinois
- 2.1.115.5 “IN” means Indiana
- 2.1.115.6 “KS” means Kansas
- 2.1.115.7 “MI” means Michigan
- 2.1.115.8 “MO” means Missouri
- 2.1.115.9 “NV” means Nevada
- 2.1.115.10 “OH” means Ohio
- 2.1.115.11 “OK” means Oklahoma
- 2.1.115.12 “TX” means Texas
- 2.1.115.13 “WI” means Wisconsin

2.1.121 **“Switched Access Detail Usage Data”** means a category 1101xx record as defined in the EMR Telecordia Practice BR 010-200-010.

2.1.122 **“Synchronous Optical Network” (SONET)** is an optical interface standard that allows inter-networking of transmission products from multiple vendors. The base rate is 51.84 Mbps (“OC-1/STS-1”) and higher rates are direct multiples of the base rate, up to 13.22 Gbps.

2.1.123 **“Tape Load Facility”** means data entry points at the LIDB administrative system and/or the SCPs where LIDB resides.

2.1.124 **“Telecommunications”** is As Defined in the Act.

2.1.125 **“Telecommunications Carrier”** is As Defined in the Act.

2.1.126 **“Telecommunications Service”** is As Defined in the Act.

2.1.127 **“Telephone Exchange Service”** is As Defined in the Act.

2.1.128 **“Telephone Toll Service”** is As Defined in the Act.

2.1.129 **“Toll Billing Exception Service” (TBE)** means a service that allows End Users to restrict third number billing or collect calls to their lines.

2.1.130 **“Toll Free Service”** is service provided with any dialing sequence that invokes toll-free, 800-like, service processing, for example for illustration only, 800 or 800-like services. Toll Free Service includes but is not limited to calls placed to 800/888 NPA Service Access Codes (SAC).

2.1.131 **“Translation Type”** means a code in the Signaling Connection Control Part (SCCP) of the SS7 signaling message. Signal Transfer Points (STPs)

use Translation Types to identify the routing table used to route a LIDB query. All LIDB queries that use the same Translation Type are routed to the same LIDB for a particular Line Record or, prior to number portability, for a particular NPA-NXX.

2.1.132 **“Trunk”** means a communication line between two switching systems.

2.1.133 **“Wire Center”** is the location of one or more local switching systems. A point at which End User’s loops within a defined geographic area converge. Such local loops may be served by one (1) or more Central Office Switches within such premises.

2.2 DEFINITIONS APPLICABLE TO (SBC-12STATE) ONLY

2.2.1 **“Data Base Administration Center”** (DBAC) means an SBC-12STATE location where facility and administrative personnel are located for administering LIDB and/or Sleuth.

2.2.2 **“Designated Central Office Document”** (Document DCO) is a document that is referenced in SBC-12STATE Appendix NIM. The purpose of the DCO is to document the physical architectural plan for interconnection and specifies the CLEC Central Offices, CLEC Routing Points, Activation Dates, the POI(s) and the applicable SBC-12STATE Central Offices.

2.2.3 **“Digital Cross Connect Panel”** (DSX Panel) means a cross-connect bay or panel used for the termination of equipment and facilities operating at digital rates.

2.2.4 **“Fiber Meet”** means an Interconnection architecture method whereby the Parties physically Interconnect their networks via an optical fiber interface (as opposed to an electrical interface) at a mutually agreed upon location, at which one Party’s responsibility or service begins and the other Party’s responsibility ends.

2.2.5 **“Interconnection Activation Date”** is the date that the construction of the joint facility Interconnection arrangement has been completed, trunk groups have been established, joint trunk testing is completed and trunks have been mutually accepted by the Parties.

2.2.6 **“Main Distribution Frame”** (MDF) is termination frame for outside facility and inter-exchange office equipment at the central office for DS-0 and DSL services.

2.2.7 **“Plain Old Telephone Service” (POTS)** means telephone service for the transmission of human speech.

2.2.8 **“Routing Point”** is a location which a LEC has designated on its own network as the homing or routing point for traffic inbound to Exchange Service provided by the LEC which bears a certain NPA-NXX designation. The Routing Point is employed to calculate mileage measurements for the distance-sensitive transport element charges of Switched Access services. The Routing Point need not be the same as the Rating Point, nor must it be located within the Rate Center area, but must be in the same LATA as the NPA-NXX.

2.5 **DEFINITIONS APPLICABLE TO SBC-AMERITECH ONLY**

2.5.1 **“Centralized AMA” (CAMA)** is an arrangement where the AMA equipment is centralized in, for example, a Tandem and is used by offices that do not have LAMA (Local AMA). The End Office Switch must send ANI digits to the CAMA office for billing a calling subscriber.

2.5.2 **“Inter-wire Center Transport”** means the transmission facilities between serving wire centers.

2.6 **DEFINITIONS APPLICABLE TO SBC-AMERITECH ONLY**

2.6.1 **“Automatic Route Selection” or “ARS”** means a service feature associated with a specific grouping of lines that provides for automatic selection of the least expensive or most appropriate transmission facility for each call based on criteria programmed into the system.

2.6.2 **“Control Office”** means the Central Office providing Tandem Switching Capability for E9-1-1 calls. The Control Office controls switching of ANI information to the PSAP and also provides the Selective Routing feature, standard speed calling features, call transfer capability and certain maintenance functions for each PSAP. These definitions appear to be related to two different scenarios and will need to remain in tact.

2.6.3 **“Enhanced LECLink”** is an customer access service to the national distribution of billing records via Telcordia’s Centralized Message Distribution System (CMDS).

- 2.6.4 **“Integrated Digital Loop Carrier”** means a subscriber loop carrier system that is twenty-four (24) local Loop transmission paths combined into a 1.544 Mbps digital signal which integrates within the switch at a DS1 level.
- 2.6.5 **“Line Side”** refers to the switch port toward the CLEC’s side of the equipment.
- 2.6.6 **“Local Loop Transmission”, “Unbundled Local Loop”, “Loop”** means the transmission path which extends from the Network Interface Device or demarcation point at an End User’s premise to the Main Distribution Frame or other designated frame or panel in the **SBC-AMERITECH** Serving Wire Center.
- 2.6.7 **“Switched Exchange Access Service”** means the offering of transmission or switching services to Telecommunications Carriers for the purpose of the origination or termination of telephone toll service. Switched Exchange Access Services include: Feature Group A, Feature Group B, Feature Group D, 800/888 access, and 900 access and their successors or similar Switched Exchange Access Services.
- 2.9 For purposes of this Agreement, certain terms have been defined in this Agreement to encompass meanings that may differ from, or be in addition to, the normal connotation of the defined word. Unless the context clearly indicates otherwise, any term defined or used in the singular will include the plural. The words “include,” “includes,” and “including” shall be deemed to be followed by the phrase “without limitation” and/or “but not limited to.” The words “will” and “shall” are used interchangeably throughout this Agreement and the use of either connotes a mandatory requirement. The use of one or the other will not mean a different degree of right or obligation for either Party. A defined word intended to convey its special meaning is capitalized when used. Other terms that are capitalized and not defined in this Agreement will have the meaning in the Act, or in the absence of their inclusion in the Act, their customary usage in the Telecommunications industry as of the Effective Date.

3.0 Effective Date

- 3.1 This Agreement becomes effective (“Effective Date”) (1) when executed by each Party and ten (10) calendar days after the approved by the State Commission under Section 252(e) of the Act; or (2) absent such Commission approval, by operation of law pursuant to Section 252(e)(4) of the Act.

4.0 Intervening Law

- 4.1 The Parties acknowledge that the respective rights and obligations of each Party as set forth in this Agreement are based on the texts of the Act and the rules and regulations promulgated thereunder by the FCC and the Commission as of the Effective Date ("Applicable Rules"). In the event of any amendment of the Act, any effective legislative action or any effective regulatory or judicial order, rule, regulation, arbitration award, dispute resolution procedures under this Agreement or other legal action purporting to apply the provisions of the Act to the Parties or in which the court, FCC or the Commission makes a generic determination that is generally applicable which revises, modifies or reverses the Applicable Rules (individually, "Amended Rules"), either Party may, by providing written notice to the other Party, require that the affected provisions of this Agreement be renegotiated in good faith and this Agreement shall be amended accordingly to reflect the pricing, terms and conditions and collectively of each such Amended Rules relating to any of the provisions in this Agreement. If negotiations fail, disputes between the Parties concerning the interpretation of the actions required or provisions affected by such governmental actions shall be resolved pursuant to the dispute resolution process provided for in this Agreement. The Parties further acknowledge and agree that by executing this Agreement, neither Party waives any of its rights, remedies, or arguments with respect to such decisions and any remand thereof, including its right to seek legal review or a stay pending appeal of such decisions or its rights under this Intervening Law paragraph.

5.0 Term of Agreement

- 5.1 This Agreement will become effective as of the Effective Date stated above, and will expire on [Effective Date + 2 years] (the "Term"). Absent the receipt of a written Notice of Non Renewal and Request for Negotiation (Non Renewal Notice) from one Party to the other Party, not later than 180 days before the expiration of the Term to the effect that such Party does not intend to extend the Term, this Agreement shall remain in full force and effect on or after the expiration of the Term until terminated by either Party pursuant to Section 5.3 or 5.4..
- 5.2 Notwithstanding any other provision of this Agreement, either Party may terminate this Agreement and the provision of any Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided pursuant to this Agreement in the event that the other Party fails to perform a material obligation or breaches a material term of this Agreement and the other Party (i) fails to cure such nonperformance or breach within forty-five (45) calendar days after receiving written notice thereof pursuant to this Section 5.2, and (ii) has not commenced a dispute regarding the subject of the breach pursuant to sec. 16.2.1 within same forty-five (45) calendar days. Any termination pursuant to this section

5.2 shall take effect immediately upon delivery of written notice by the Terminating Party to the other Party that it is effecting termination pursuant to this Section 5.2 and that conditions (i) and (ii) above pertain.

- 5.3 If pursuant to Section 5.1, this Agreement continues in full force and effect after the expiration of the Term, either Party may terminate this Agreement after delivering written notice to the other Party of its intention to terminate this Agreement, subject to Sections 5.5 and 5.6. Neither Party shall have any liability to the other Party for termination of this Agreement pursuant to this Section 5.4 other than its obligations under Sections 5.5 and 5.6.
- 5.4 Upon termination or expiration of this Agreement in accordance with Sections 5.2, 5.3 or 5.4:
- 5.4.1 Each Party shall continue to comply with its obligations set forth in Section 5.2; and
- 5.4.2 Each Party shall promptly pay all amounts owed under this Agreement, or follow the procedures for billing disputes as set forth herein.
- 5.4.3 Each Party's confidentiality obligations shall survive; and
- 5.4.4 Each Party's indemnification obligations shall survive.
- 5.5 If either Party serves notice of expiration pursuant to Section 5.2 or Section 5.4, CLEC shall have ten (10) calendar days to provide **AMERITECH-ILLINOIS** written confirmation if CLEC wishes to pursue a successor agreement with **AMERITECH-ILLINOIS** or terminate its agreement. CLEC shall identify the action to be taken on each applicable (13) state(s). If CLEC wishes to pursue a successor agreement with **AMERITECH-ILLINOIS**, CLEC shall attach to its written confirmation or notice of expiration/termination, as applicable, a written request to commence negotiations with **AMERITECH-ILLINOIS** under Sections 251/252 of the Act and identify each of the state(s) the successor agreement will cover. Upon receipt of CLEC's Section 252(a)(1) request, the Parties shall commence good faith negotiations on a successor agreement
- 5.6 The rates, terms and conditions of this Agreement shall continue in full force and effect until the effective date of its successor agreement, whether such successor agreement is established via negotiation, arbitration or pursuant to Section 252(i) of the Act; or; provided, however, when a successor agreement becomes effective, the terms, rates and charges of such successor Agreement shall apply retroactively back to the date this Agreement is terminated or expires, whichever is later, and

that the retro-active true-up shall be completed within ninety (90) calendar days following the effective date of such successor Agreement.

- 5.7 If at any time during the Section 252(a)(1) negotiation process (prior to or after the expiration date or termination date of this Agreement), CLEC withdraws its Section 252(a)(1) request, CLEC must include in its notice of withdrawal a request to adopt a successor agreement under Section 252(i) of the Act or affirmatively state that CLEC does not wish to pursue a successor agreement with **AMERITECH-ILLINOIS** for a given state. The rates, terms and conditions of this Agreement shall continue in full force and effect for a period of ninety (90) calendar days after the date CLEC provides notice of withdrawal of its Section 252(a)(1) request. On the earlier of (i) the ninety-first (91st) calendar day following **AMERITECH-ILLINOIS'** receipt of CLEC's notice of withdrawal of its Section 252(a)(1) request or (ii) the effective date of the agreement following approval by the **Commission** of the adoption of an agreement under 252(i) , the Parties shall, have no further obligations under this Agreement except those set forth in Section 5.5 of this Agreement.

- 5.8 If CLEC does not affirmatively state that it wishes to pursue a successor agreement with **AMERITECH-ILLINOIS** in its, as applicable, notice of expiration or termination or the written confirmation required after receipt of the **SBC**-owned ILEC's notice of expiration or termination, then the rates, terms and conditions of this Agreement shall continue in full force and effect for a period of ninety (90) calendar days after the date CLEC provided or received notice of expiration or termination. On the ninety-first (91st) day following CLEC provided or received notice of expiration or termination, the Parties shall have no further obligations under this Agreement except those set forth in Section 5.5 of this Agreement.
- 5.9 In the event of termination of this Agreement pursuant to Section 5.8, **AMERITECH-ILLINOIS** and CLEC shall cooperate in good faith to effect an orderly transition of service under this Agreement; provided that CLEC shall be solely responsible (from a financial, operational and administrative standpoint) to ensure that its End Users have been transitioned to a new LEC by the expiration date or termination date of this Agreement.

6.0 Assignment

- 6.1 Neither Party hereto may assign or otherwise transfer its rights or obligations under this Agreement, except with the prior written consent of the other Party hereto, which consent will not be unreasonably withheld; provided, that SBC/AMERITECH may assign its rights and delegate its benefits and delegate its duties and obligations under this Agreement without the consent of TDS to a 100 per cent owned affiliate of SBC, provided the performance of any such assignee is guaranteed by the assignor. Nothing in this Section is intended to impair the right of either Party to utilize subcontractors.
- 6.2 Each Party will notify the other in writing not less than 60 days in advance of anticipated assignment.

7. DELEGATION TO AFFILIATE

- 7.1 Each Party may without the consent of the other Party fulfill its obligations under this Agreement by itself or may cause its Affiliate(s) to take some or all of such actions to fulfill such obligations. Upon such delegation, the Affiliate shall become a primary obligor hereunder with respect to the delegated matter, but such delegation shall not relieve the delegating Party of its obligations as co-obligor hereunder. Any Party which elects to perform its obligations through an Affiliate shall cause its Affiliate to take all action necessary for the performance of such

Party's obligations hereunder. Each Party represents and warrants that if an obligation under this Agreement is to be performed by an Affiliate, such Party has the authority to cause such Affiliate to perform such obligation and such Affiliate will have the resources required to accomplish the delegated performance.

8. Confidentiality and Proprietary Information.

8.1 For the purposes of this Agreement, "Proprietary Information" means confidential or proprietary technical or business information given by one party ("the Disclosing Party") or its agent, employee, representative or Affiliate to the other in connection with this Agreement, during negotiations and the term of this Agreement:

- 8.1.1 In written, graphic, electromagnetic, or other tangible form and marked at the time of delivery as "Confidential" or "Proprietary"; or
- 8.1.2 Communicated orally and declared to the Receiving Party at the time of delivery to be "Confidential" or "Proprietary", and which shall be summarized in writing and marked "Confidential" or "Proprietary" and delivered to the Receiving Party within ten (10) calendar days following such disclosure; and
- 8.1.3 Any portion of any notes, analyses, data, compilations, studies, interpretations or other documents prepared by any Receiving Party to the extent the same contain, reflect, are derived from, or are based upon, any of the information described in this Section 8, unless such information contained or reflected in such notes, analyses, etc. is so commingled with the Receiving Party's information that disclosure could not possibly disclose the underlying proprietary or confidential information (such portions of such notes, analyses, etc. referred to herein as "**Derivative Information**").

8.2 Proprietary Information Shall be Held in Confidence

- 8.2.1 Each Receiving Party agrees that:
 - (a) all Proprietary Information communicated to it or any of its agents, employees, representatives and Affiliates in connection with this Agreement shall be held in confidence to the same extent as such Receiving Party holds its own confidential information of like importance; provided that such Receiving Party and its agents, employees, representatives and Affiliates shall not use less than a

reasonable standard of care in maintaining the confidentiality of such information;

- (b) it will not, and it will not permit any of its agents, employees, representatives and Affiliates to disclose such Proprietary Information to any Third Party;
- (c) it will disclose Proprietary Information only to those of its agents, employees, representatives and Affiliates who have a need for it in connection with the use or provision of any services required to fulfill this Agreement; and
- (d) it will, and will cause each of its agents, employees, representatives and Affiliates, to use such Proprietary Information only to perform its obligations under this Agreement or to use services provided by the Disclosing Party hereunder and for no other purpose, including its own marketing purposes.

8.2.2 A Receiving Party may disclose Proprietary Information of a Disclosing Party to the Receiving Party's agents, employees, representatives and Affiliates who need to know such information to perform their obligations under this Agreement; provided that before disclosing any Proprietary Information to any agent, employee, representative or Affiliate, the Receiving Party shall notify such agent, employee, representative or Affiliate of such Party's obligation to comply with this Agreement. Any Receiving Party so disclosing Proprietary Information shall be jointly and severally liable for any breach of this Agreement by any of its agents, employees, representatives and Affiliates and such Receiving Party agrees, at its sole expense, to use its reasonable efforts (including court proceedings) to restrain its agents, employees, representatives and Affiliates from any prohibited or unauthorized disclosure or use of the Proprietary Information. Each Receiving Party making such disclosure shall notify the Disclosing Party as soon as possible if it has knowledge of a breach of this Agreement in any material respect. A Disclosing Party shall not disclose Proprietary Information directly to an agent, employee, representative or Affiliate of the Receiving Party without the prior written authorization of the Receiving Party.

8.2.3 Proprietary Information shall not be reproduced by any Receiving Party in any form except to the extent (i) necessary to comply with the provisions of Section 8.5 and (ii) reasonably necessary to perform its obligations under this Agreement. All such reproductions shall bear the same copyright and proprietary rights notices as are contained in or on the original.

8.3 Unless otherwise agreed, the obligations of confidentiality and non-use set forth in this Agreement do not apply to such Proprietary Information that:

8.3.1 Was at the time of receipt, already known to the Receiving Party, free of any obligation to keep confidential and evidenced by written records prepared prior to delivery by the Disclosing Party; or

8.3.2 Is, or becomes publicly known through no wrongful act of the Receiving Party; or

8.3.3 Is rightfully received from a Third Party having no direct or indirect secrecy or confidentiality obligation to the Disclosing Party with respect to such information; provided that such Receiving Party has exercised commercially reasonable efforts to determine whether such Third Party has any such obligation; or

8.3.4 Is independently developed by an agent, employee representative or Affiliate of the Receiving Party and such Party is not involved in any manner with the provision of services pursuant to this Agreement and does not have any direct or indirect access to the Proprietary Information; or

8.3.5 Is disclosed to a Third Party by the Disclosing Party without similar restrictions on such Third Party's rights; or

8.3.6 Is approved for release by written authorization of the Disclosing Party, but only to the extent of the authorization granted; or

8.3.7 Is required to be made public by the Receiving Party pursuant to Applicable Law or regulation, provided that such production or disclosure shall have been made in accordance with Section 8.5.

8.4 Proposed Disclosure of Proprietary Information to a Governmental Authority

8.4.1 If a Receiving Party desires to disclose or provide to a Commission, the FCC or any other governmental authority any Proprietary Information of the Disclosing Party, such Receiving Party shall, prior to and as a condition of such disclosure, (i) provide the Disclosing Party with written notice and the form of such proposed disclosure as soon as possible but in any event early enough to allow the Disclosing Party to protect its interests in the Proprietary Information to be disclosed and (ii) attempt to obtain in accordance with the applicable procedures of the intended recipient of such Proprietary Information an appropriate order for protective relief or other

reliable assurance that confidential treatment shall be accorded to such Proprietary Information.

8.4.2 If a Receiving Party is required by any Governmental Authority or by Applicable Law to disclose any Proprietary Information, then such Receiving Party shall provide the Disclosing Party with written notice of such requirement as soon as possible, and in no event later than five (5) calendar days after receipt of such requirement, and prior to such disclosure. Upon receipt of written notice of the requirement to disclose Proprietary Information, the Disclosing Party at its expense, may then either seek appropriate protective relief in advance of such requirement to prevent all or part of such disclosure or waive the Receiving Party's compliance with this Section 8.4 with respect to all or part of such requirement.

8.4.3 The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief which such Disclosing Party chooses to seek pursuant to this Section 8.4. In the absence of such relief, if the Receiving Party is legally compelled to disclose any Proprietary Information, then the Receiving Party shall exercise all commercially reasonable efforts to preserve the confidentiality of the Proprietary information, including cooperating with the Disclosing Party to obtain an appropriate order for protective relief or other reliable assurance that confidential treatment will be accorded the Proprietary Information.

8.5 Notwithstanding any of the foregoing, **AMERITECH-ILLINOIS** shall be entitled to disclose Proprietary Information on a confidential basis to regulatory agencies upon request for information as to **AMERITECH-ILLINOIS**' activities under the Act if **AMERITECH-ILLINOIS** has provided reasonable prior written notice to CLEC and obtained an appropriate order for protective relief or other reliable assurance that confidential treatment shall be accorded to such Proprietary Information.

8.6 Return of Proprietary Information

8.6.1 All Proprietary Information, other than Derivative Information, shall remain the property of the Disclosing Party, and all documents or other tangible media delivered to the Receiving Party that embody such Proprietary Information shall be, at the option of the Disclosing Party, either promptly returned to Disclosing Party or destroyed, except as otherwise may be required from time to time by Applicable Law (in which case the use and disclosure of such Proprietary Information will continue to be subject to this Agreement), upon the earlier of (i) the date on which the

Receiving Party's need for it has expired and (ii) the expiration or termination of this Agreement.

- 8.6.2 At the request of the Disclosing Party, any Derivative Information shall be, at the option of the Receiving Party, either promptly returned to the Disclosing Party or destroyed, except as otherwise may be required from time to time by Applicable Law (in which case the use and disclosure of such Derivative Information will continue to be subject to this Agreement), upon the earlier of (i) the date on which the Receiving Party's need for it has expired and (ii) the expiration or termination of this Agreement.
- 8.6.3 The Receiving Party may at any time either return the Proprietary Information to the Disclosing Party or destroy such Proprietary Information. If the Receiving Party elects to destroy Proprietary Information, all copies of such information shall be destroyed and upon the written request of the Disclosing Party, the Receiving Party shall provide to the Disclosing Party written certification of such destruction. The destruction or return of Proprietary information shall not relieve any Receiving Party of its obligation to continue to treat such Proprietary Information in the manner required by this Agreement.
- 8.7 Notwithstanding any other provision of this Agreement, the Proprietary Information provisions of this Agreement shall apply to all information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the date of this Agreement and each Party's obligation to safeguard Proprietary Information disclosed prior to expiration or termination of this Agreement will survive such expiration or termination.
- 8.8 Pursuant to Section 222(b) of the Act, both Parties agree to limit their use of Proprietary Information received from the other to the permitted purposes identified in the Act.
- 8.9 Each Party has the right to refuse to accept any Confidential Information under this Agreement, and nothing in this section 8 shall obligate either Party to disclose to the other Party any particular information.
- 8.10 The Parties agree that an impending or existing violation of any provision of this Section 8 would cause the Disclosing Party irreparable injury for which it would have no adequate remedy at law, and agree that Disclosing Party shall be entitled to obtain immediate injunctive relief prohibiting such violation, in addition to any other rights and remedies available to it at law or in equity, including both specific performance and monetary damages. In the event of any breach of this Section 8

for which legal or equitable relief is sought, all reasonable attorney's fees and other reasonable costs associated therewith shall be recoverable by the prevailing Party.

9. Liability and Indemnification

9.1 Limitation of Liabilities

- 9.1.1 Except for indemnity obligations expressly set forth herein or as otherwise expressly provided in specific appendices, each Party's liability to the other Party for any Loss relating to or arising out of such Party's performance under this Agreement, including any negligent act or omission (whether willful or inadvertent), whether in contract, tort or otherwise, including alleged breaches of this Agreement and causes of action alleged to arise from allegations that breach of this Agreement also constitute a violation of a statute, including the Act, shall not exceed in total the amount **SBC 13STATE** or CLEC has charged or would have charged to the other Party for the affected Interconnection, Resale Services, Network Elements, functions, facilities, products and service(s) that were not performed or were improperly performed.
- 9.1.2 Except as otherwise provided in specific appendices, in the case of any loss alleged or made by a third party arising under the negligence or willful misconduct of both Parties, each Party shall bear, and its obligation under this section shall be limited to, that portion (as mutually agreed to by the Parties) of the resulting expense caused by its own negligence or willful misconduct or that of its agents, servants, contractors, or others acting in aid or concert with it.
- 9.1.3 Intentionally Omitted.

9.1.4 NO CONSEQUENTIAL DAMAGES

NEITHER CLEC NOR SBC/AMERITECH WILL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL CONSEQUENTIAL, RELIANCE, OR SPECIAL DAMAGES SUFFERED BY SUCH OTHER PARTIES (INCLUDING WITHOUT LIMITATION DAMAGES FOR HARM TO BUSINESS, LOST REVENUES, LOST SAVINGS, OR LOST PROFITS SUFFERED BY SUCH OTHER PARTIES), REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, WARRANTY, STRICT LIABILITY, OR TORT, INCLUDING WITHOUT LIMITATION NEGLIGENCE OF ANY KIND WHETHER ACTIVE OR PASSIVE, AND REGARDLESS OF WHETHER THE PARTIES KNEW OF THE POSSIBILITY THAT SUCH DAMAGES COULD RESULT. EACH PARTY HEREBY RELEASES THE OTHER PARTY (AND SUCH OTHER PARTY'S SUBSIDIARIES AND AFFILIATES, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS FROM ANY SUCH CLAIM. NOTHING CONTAINED IN THIS SECTION WILL LIMIT SBC/AMERITECH'S OR TDS'S LIABILITY TO THE OTHER FOR (i) WILLFUL OR INTENTIONAL MISCONDUCT (INCLUDING GROSS NEGLIGENCE); (ii) BODILY INJURY, DEATH, OR DAMAGE TO TANGIBLE REAL OR TANGIBLE PERSONAL PROPERTY PROXIMATELY CAUSED BY SBC/AMERITECH OR TDS'S NEGLIGENT ACT OR OMISSION OR THAT OF THEIR RESPECTIVE AGENTS, SUBCONTRACTORS OR EMPLOYEES, NOR WILL ANYTHING CONTAINED IN THIS SECTION LIMIT THE PARTIES INDEMNIFICATION OBLIGATIONS, AS SPECIFIED BELOW.

10. REMEDIES

10.1 Except as otherwise provided in this Agreement, no remedy set forth herein is intended to be exclusive and each and every remedy shall be cumulative and in addition to any other rights or remedies now or hereafter existing under Applicable Law or otherwise.

11. INTELLECTUAL PROPERTY

11.1 Any Intellectual Property originating from or developed by a Party shall remain in the exclusive ownership of that Party.

12. INDEMNITY

12.1 Not Used

12.2 Except as otherwise expressly provided herein or in specific appendices, and to the extent not prohibited by Applicable Law and not otherwise controlled by tariff, each Party (the **"Indemnifying Party"**) shall release, defend and indemnify the other Party (the **"Indemnified Party"**) and hold such Indemnified Party harmless against any Loss to a Third Party arising out of the negligence or willful misconduct (**"Fault"**) of such Indemnifying Party, its agents, its End Users, contractors, or others retained by such Parties, in connection with the Indemnifying Party's provision of Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement; provided, however, that (i) with respect to employees or agents of the Indemnifying Party, such Fault occurs while performing within the scope of their employment, (ii) with respect to subcontractors of the Indemnifying Party, such Fault occurs in the course of performing duties of the subcontractor under its subcontract with the Indemnifying Party, and (iii) with respect to the Fault of employees or agents of such subcontractor, such Fault occurs while performing within the scope of their employment by the subcontractor with respect to such duties of the subcontractor under the subcontract.

12.3 A Party (the **"Indemnifying Party"**) shall defend, indemnify and hold harmless the other Party (**"Indemnified Party"**) against any Claim or Loss arising from the Indemnifying Party's use of Interconnection, Resale Services, Network Elements, functions, facilities, products and services provided under this Agreement involving:

12.3.1 any Claim or Loss arising from such Indemnifying Party's use of Interconnection, Resale Services, Network Elements, functions, facilities, products and services offered under this Agreement, involving any Claim for libel, slander, invasion of privacy, or infringement of Intellectual Property rights arising from the Indemnifying Party's or its End User's use.

12.3.1.1 The foregoing includes any Claims or Losses arising from disclosure of any End User-specific information associated with either the originating or terminating numbers used to provision Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided hereunder and all other Claims arising out of any act or omission of the End User in the

course of using any Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided pursuant to this Agreement.

12.3.1.2 The foregoing includes any Losses arising from Claims for actual or alleged infringement of any Intellectual Property right of a Third Party to the extent that such Loss arises from an Indemnifying Party's or an Indemnifying Party's End User's use of Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided under this Agreement; provided, however, that an Indemnifying Party's obligation to defend and indemnify the Indemnified Party shall not apply:

12.3.1.2.1 where an Indemnified Party or its End User modifies Interconnection, Resale Services, Network Elements, functions, facilities, products or services; provided under this Agreement; and

12.3.1.2.2 no infringement would have occurred without such modification.

12.3.2 Any and all penalties imposed on either Party because of the Indemnifying Party's failure to comply with the Communications Assistance to Law Enforcement Act of 1994 (**CALEA**); provided that the Indemnifying Party shall also, at its sole cost and expense, pay any amounts necessary to modify or replace any equipment, facilities or services provided to the Indemnified Party under this Agreement to ensure that such equipment, facilities and services fully comply with CALEA.

12.4. The Parties acknowledge that on April 27, 2000, the FCC released its Memorandum Opinion and Order in CC Docket No. 96-98 (File No. CCBPol. 97-4), In the Matter of Petition of MCI for Declaratory Ruling. The Parties further acknowledge and agree that by executing this Agreement, neither Party waives any of its rights, remedies, or arguments with respect to such decision and any remand thereof, including its right to seek legal review or a stay pending appeal of such decision.

12.4.1 **SBC-13STATE** agrees to use its best efforts to obtain for CLEC, under commercially reasonable terms, Intellectual Property rights to each unbundled network element necessary for CLEC to use

such unbundled network element in the same manner as **SBC-13STATE**.

12.4.1.1 **SBC-13STATE** shall have no obligation to attempt to obtain for CLEC any Intellectual Property right(s) that would permit CLEC to use any unbundled network element in a different manner than used by **SBC-13STATE**.

12.4.1.2 To the extent not prohibited by a contract with the vendor of the network element sought by CLEC that contains Intellectual Property licenses, **SBC-13STATE** shall reveal to CLEC the name of the vendor, the Intellectual Property rights licensed to **SBC-13STATE** under the vendor contract and the terms of the contract (excluding cost terms). **SBC-13STATE** shall, at CLEC's request, contact the vendor to attempt to obtain permission to reveal additional contract details to CLEC.

12.4.1.3 All costs associated with the extension of Intellectual Property rights to CLEC pursuant to Section 12.4.1.1, including the cost of the license extension itself and the costs associated with the effort to obtain the license, shall be a part of the cost of providing the unbundled network element to which the Intellectual Property rights relate and apportioned to all requesting carriers using that unbundled network element including **SBC-13STATE**.

12.4.2 **SBC-13STATE** hereby conveys no licenses to use such Intellectual Property rights and makes no warranties, express or implied, concerning CLEC's (or any Third Parties') rights with respect to such Intellectual Property rights and contract rights, including whether such rights will be violated by such Interconnection or unbundling and/or combining of Network Elements (including combining with CLEC's Network Elements) in **SBC-13STATE**'s network or CLEC's use of other functions, facilities, products or services furnished under this Agreement. Any licenses or warranties for Intellectual Property rights associated with unbundled network elements are vendor licenses and warranties and are a part of the Intellectual Property rights **SBC-13STATE** agrees in Section 12.4.1 to use its best efforts to obtain.

12.4.3 **SBC 13STATE** does not and shall not indemnify defend or hold CLEC harmless, nor be responsible for indemnifying or defending, or holding CLEC harmless, for any Claims or Losses for actual or alleged infringement of any Intellectual Property right or interference with or violation of any contract right that arises out of, is caused by, or relates to

CLEC's Interconnection with **SBC 13STATE**'s network and unbundling and/or combining **SBC 13STATE**'s Network Elements (including combining with CLEC's Network Elements) or CLEC's use of other functions, facilities, products or services furnished under this Agreement. Any indemnities for Intellectual Property rights associated with unbundled network elements shall be vendor's indemnities and are a part of the Intellectual Property rights **SBC-13STATE** agrees in Section 12.4.1 to use its best efforts to obtain.

12.4.5 CLEC shall reimburse **AMERITECH-ILLINOIS** for damages to **AMERITECH-ILLINOIS**' facilities utilized to provide Interconnection or unbundled Network Elements hereunder caused by the negligence or willful act of CLEC, its agents or subcontractors or CLEC's End User or resulting from CLEC's improper use of **AMERITECH-ILLINOIS**' facilities, or due to malfunction of any facilities, functions, products, services or equipment provided by CLEC, its agents or subcontractors or CLEC's End User. Upon reimbursement for damages, **AMERITECH-ILLINOIS** will cooperate with CLEC in prosecuting a claim against the person causing such damage. CLEC shall be subrogated to the right of recovery by **AMERITECH-ILLINOIS** for the damages to the extent of such payment.

12.4.6 **SBC-13STATE** shall reimburse CLEC for damages to CLEC's facilities utilized to provide or access Interconnection or unbundled Network Elements hereunder caused by the negligence or willful act of **SBC-13STATE**, its agents or subcontractors or **SBC-13STATE's** End User or resulting from **SBC-13STATE's** improper use of CLEC's facilities, or due to malfunction of any facilities, functions, products, services or equipment provided by **SBC-13STATE's** its agents or subcontractors or **SBC-13STATE's** End User. Upon reimbursement for damages, CLEC will cooperate with **SBC-13STATE** in prosecuting a claim against the person causing such damage. **SBC-13STATE** shall be subrogated to the right of recovery by CLEC for the damages to the extent of such payment.

12.7 **Obligation to Defend; Notice; Cooperation**

12.7.1 Whenever a Claim will arise for indemnification under this Section, the relevant Indemnified Party, as appropriate, will promptly notify the Indemnifying party and request in writing the Indemnifying Party to defend the same. Failure to so notify the Indemnifying Party will not relieve the Indemnifying Party of any liability that the Indemnifying Party might have, except to the extent that such failure prejudices the Indemnifying Party's ability to defend such Claim. The Indemnifying

Party will have the right to defend against such liability or assertion in which event the Indemnifying Party will give written notice to the Indemnified Party of acceptance of the defense of such Claim and the identity of counsel selected by the Indemnifying Party.

- 12.7.2 Until such time as Indemnifying Party provides written notice of acceptance of the defense of such claim, the Indemnified Party shall defend such claim, at the expense of the Indemnifying Party, subject to any right of the Indemnifying Party to seek reimbursement for the costs of such defense in the event that it is determined that Indemnifying Party had no obligation to indemnify the Indemnified Party for such claim.
- 12.7.3 Upon accepting the defense, the Indemnifying Party shall have exclusive right to control and conduct the defense and settlement of any such claims, subject to consultation with the Indemnified Party. So long as the Indemnifying Party is controlling and conducting the defense, the Indemnifying Party shall not be liable for any settlement by the Indemnified Party unless such Indemnifying Party has approved such settlement in advance and agrees to be bound by the agreement incorporating such settlement.
- 12.8 At any time, an Indemnified Party will have the right to refuse such compromise or settlement and, at the refusing Party's cost, to take over such defense, provided that in such event the Indemnifying Party will not be responsible for, nor will it be obligated to indemnify the refusing Party against any cost or liability in excess of such refused compromise or settlement.
- 12.9 With respect to any defense accepted by the Indemnifying Party, the Indemnified Party will be entitled to participate with the Indemnifying Party in such defense if the Claim requests equitable relief or other relief that could affect the rights of the Indemnified Party and also will be entitled to employ separate counsel for such defense at such Indemnified Party's expense.
- 12.10 In the event the Indemnifying Party does not accept the defense of any indemnified Claim as provided above, the Indemnified Party will have the right to employ counsel for such defense at the expense of the Indemnifying Party.
- 12.10.1 In the event of a failure to assume the defense, the Indemnified Party may negotiate a settlement, which shall be presented to the Indemnifying Party. If the Indemnifying Party refuses to agree to the presented settlement, the Indemnifying Party may take over the defense. If the Indemnifying Party refuses to agree to the presented settlement and refuses to take over the defense, the Indemnifying Party shall be liable for any reasonable cash

settlement not involving any admission of liability by the Indemnifying Party, though such settlement may have been made by the Indemnified Party without approval of the Indemnifying Party, it being the Parties' intent that no settlement involving a non-monetary concession by the Indemnifying Party, including an admission of liability by such Party, shall take effect without the written approval of the Indemnifying Party.

12.10.2 Each Party agrees to cooperate and to cause its employees and agents to cooperate with the other Party in the defense of any such Claim and the relevant records of each Party shall be available to the other Party with respect to any such defense, subject to the restrictions and limitations set forth in Section 8.

13. OSHA Statement

13.1 Each Party, in recognition of the other Party's status as an employer, agrees to abide by and to undertake the duty of compliance with all federal, state and local laws, safety and health regulations relating to the space which Party has assumed the duty to maintain pursuant to this Agreement, and to indemnify and hold the other Party harmless for any judgments, citations, fines, or other penalties which are assessed against the indemnified Party as the result of the indemnifying Party's failure to comply with any of the foregoing.

14. DEPOSITS (SBC-12STATE)

14.1 The deposit requirements set forth in this Section 14 apply to the Resale Services and Network Elements furnished under this Agreement. A CLEC furnished both Resale Services and Network Elements in one (1) state under this Agreement shall make two (2) separate deposits for that state, each calculated separately as set forth below in Sections 14.2 through 14.10, inclusive.

14.2 If CLEC has not established a minimum of twelve (12) consecutive months good credit history with all **SBC-owned ILECs** (that is, **AMERITECH, NEVADA, PACIFIC, SNET and SWBT**) where CLEC is doing or has done business as a local service provider, CLEC shall remit an initial cash deposit to **SBC-12STATE** prior to the furnishing of Resale Services or Network Elements in each state covered by this Agreement. Notwithstanding the foregoing, SBC-12STATE shall not require an initial deposit from CLEC for a particular state if CLEC is already operating in that state under a predecessor interconnection agreement with an SBC-owned ILEC. However, the preceding sentence shall not be construed to waive the initial deposit if CLEC was required to make a deposit under the

predecessor agreement. The deposit required by this Section 14.2 shall be determined as follows:

- 14.2.1 for **NEVADA**, **PACIFIC** or **SWBT**, if immediately prior to the Effective Date, CLEC was not operating as a Local Service Provider in a state covered by this Agreement, the initial deposit for that state shall be in the amount of \$17,000; or
 - 14.2.2 for **NEVADA**, **PACIFIC** or **SWBT**, if immediately prior to the Effective Date, CLEC was operating as a Local Service Provider in a state covered by this Agreement, the deposit for that state shall be in the amount calculated using the method set forth in Section 14.7 of this Agreement; or
 - 14.2.3 for **SBC-AMERITECH**, subject to external credit check verification and/or financial statement review, **SBC-AMERITECH** may require two (2) to four (4) months of projected average monthly billings as a deposit.
 - 14.2.4 If CLEC has established a minimum of twelve (12) consecutive months good credit history with all **SBC**-owned ILEC(s) (that is, **AMERITECH**, **NEVADA**, **PACIFIC**, **SNET** and **SWBT**) with which CLEC is doing or has done business as a Local Service Provider, **SBC-12STATE** shall waive the initial deposit requirement; provided, however, that the terms and conditions set forth in Section 14.1 through Section 14.10 of this Agreement shall continue to apply in each state for the Term . In determining whether CLEC has established a minimum of twelve (12) consecutive months good credit history with each **SBC**-owned ILEC with which CLEC is doing or has done business, CLEC's payment record with each **SBC**-owned ILEC for the most recent twelve (12) months occurring within the twenty-four (24) month period immediately prior to the Effective Date shall be considered.
- 14.3 Any cash deposit for one state shall be held by **SBC-12STATE** as a guarantee of payment of charges billed to CLEC, provided, however, **SBC-12STATE** may exercise its right to credit any cash deposit to CLEC's account upon the occurrence of any one of the following events:
- 14.3.1 when **SBC-12STATE** sends CLEC the second delinquency notification for that state during the most recent twelve (12) months; or
 - 14.3.2 when **SBC-12STATE** suspends CLEC's ability to process orders in accordance with Section 17.7; or
 - 14.3.3 when CLEC files for protection under the bankruptcy laws; or

- 14.3.4 when an involuntary petition in bankruptcy is filed against CLEC and is not dismissed within sixty (60) days; or
- 14.3.5 when this Agreement expires or terminates; or
- 14.3.6 during the month following the expiration of twelve (12) months after that cash deposit was remitted, SBC-12STATE shall credit any cash deposit to CLEC's account so long as CLEC has not been sent more than one delinquency notification letter for that state during the most recent twelve (12) months.
- 14.3.7 For the purposes of this Section 14.3, interest will be calculated as specified in Section 15.1.5.1 and shall be credited to CLEC's account at the time that the cash deposit is credited to CLEC's account.
- 14.4 So long as CLEC maintains timely compliance with its payment obligations, SBC-12STATE will not increase the deposit amount required. If CLEC fails to maintain timely compliance with its payment obligations, SBC-12STATE reserves the right to require additional deposit(s) in accordance with Section 14.1 and Section 14.5 through Section 14.10.
- 14.5 If during the first six (6) months of operations in a state covered by this Agreement, CLEC has been sent one delinquency notification letter by SBC-12STATE, the deposit amount for that state shall be re-evaluated based upon CLEC's actual billing totals and shall be increased if CLEC's actual billing average:
 - 14.5.1 for AMERITECH for a two (2) to four (4) month period exceeds the deposit amount held.
- 14.6 Throughout the Term, any time CLEC has been sent two (2) delinquency notification letters for any one state by SBC-12STATE, the deposit amount for that state shall be re-evaluated based upon CLEC's actual billing totals and shall be increased if CLEC's actual billing average:
 - 14.6.1 for AMERITECH for a two (2) to four (4) month period exceeds the deposit amount held.
- 14.7 Whenever a deposit is re-evaluated as specified in Section 14.5 or Section 14.6, such deposit shall be calculated in an amount equal to the average billing to CLEC for that state for a two (2) to four (4) month period. The most recent three (3) months billing on all of CLEC's CBAs/ESBs/ASBS ("CBA" is utilized in **SWBT**

only; "ESBA" is utilized in PACIFIC and NEVADA only; "ASBS" is utilized in AMERITECH only) and BANs for Resale Services or Network Elements within that state shall be used to calculate CLEC's monthly average.

- 14.8 Whenever a deposit is re-evaluated as specified in Section 14.5 and Section 14.6, CLEC shall remit the additional deposit amount to SBC-12STATE within thirty (30) calendar days of receipt of written notification from SBC-12STATE requiring such deposit. If CLEC fails to furnish the required deposit within thirty (30) calendar days of receipt of written notice requesting such deposit, SBC-12STATE shall begin the process set forth in Section 17 of this Agreement for that state.
- 14.9 The fact that SBC-12STATE holds either a cash deposit or irrevocable bank letter of credit does not relieve CLEC from timely compliance with its payment obligations under this Agreement.

15. Billing and Payment of Rates and Charges

- 15.1 Unless otherwise stated, each Party will render monthly bill(s) to the other for Interconnection, Resale Services, Network Elements, functions, facilities, products and services provided hereunder at the rates set forth in the applicable Appendix Pricing, as set forth in applicable tariffs or other documents specifically referenced herein and, as applicable, as agreed upon by the Parties or authorized by a Party.
- 15.1.1 Remittance in full of all bills rendered by SBC-AMERITECH is due within thirty (30) calendar days of each bill date (the "**Bill Due Date**") and shall be paid in accordance with the terms of Section 15.3 of this Agreement.
- 15.1.4 Remittance in full of all bills rendered by CLEC is due within thirty (30) calendar days of each bill date (the "**Bill Due Date**") and shall be paid in accordance with the terms of Section 15.3 of this Agreement.
- 15.1.5 If either party fails to remit payment for any charges for services by the Bill Due Date, or if a payment or any portion of a payment is received after the Bill Due Date, or if a payment or any portion of a payment is received in funds which are not immediately available as of the Bill Due Date (individually and collectively, "**Past Due**"), then a late payment charge shall be assessed as provided in Sections 15.1.5.1 as applicable.
- 15.1.5.1 If any charge incurred under this Agreement is Past Due, the unpaid amounts shall accrue interest from the Bill Due Date at the lesser of (i) one and one-half percent (1 ½%) per month and (ii) the highest rate of

interest that may be charged under Applicable Law, to and including the date that the payment is actually made and available.

15.2 Not used.

15.3 The parties shall make all payments via electronic funds credit transfers through the Automated Clearing House Association (ACH) network to the financial institution designated by each Party. Remittance information will be communicated together with the funds transfer via the ACH network. The Parties shall use the CCD+ or the CTX transaction set, or such other transaction set as a Party may designate. CLEC and SBC-12STATE shall abide by the National Automated Clearing House Association (NACHA) Rules and Regulations. Each ACH credit transfer shall be received no later than the Bill Due Date of each bill or Late Payment Charges will apply. Neither Party shall be liable for any delays in receipt of funds or errors in entries caused by the other party or Third Parties, including the receiving Party's financial institution. Each Party is responsible for its own banking fees.

15.4 If any portion of an amount due to a Party (the **"Billing Party"**) for Resale Services or Network Elements under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the **"Non-Paying Party"**) shall, prior to the Bill Due Date, give written notice to the Billing Party of the amounts it disputes (**"Disputed Amounts"**) and include in such written notice the specific details and reasons for disputing each item listed in Section 16.3.4. The Non-Paying Party shall pay when due (i) all undisputed amounts to the Billing Party, and (ii) all Disputed Amounts into an interest bearing escrow account with a Third Party escrow agent mutually agreed upon by the Parties. To be acceptable, the Third Party escrow agent must meet all of the following criteria:

15.4.1 *The financial institution proposed as the Third Party escrow agent must be located within the continental United States;*

15.4.2 *The financial institution proposed as the Third Party escrow agent may not be an Affiliate of either Party; and*

15.4.3 *The financial institution proposed as the Third Party escrow agent must be authorized to handle Automatic Clearing House (ACH) (credit transactions) (electronic funds) transfers.*

15.4.4 *In addition to the foregoing requirements for the Third Party escrow agent, the disputing Party and the financial institution proposed as the Third Party escrow agent must agree that the escrow account will meet all of the following criteria:*

15.4.4.1 *The escrow account must be an interest bearing account;*

- 15.4.4.2 *All charges associated with opening and maintaining the escrow account will be borne by the disputing Party;*
- 15.4.4.3 *That none of the funds deposited into the escrow account or the interest earned thereon may be subjected to the financial institution's charges for serving as the Third Party escrow agent;*
- 15.4.4.4 *All interest earned on deposits to the escrow account shall be disbursed to the Parties in the same proportion as the principal; and*
- 15.4.4.5 *Disbursements from the escrow account shall be limited to those:*
 - 15.4.4.5.1 *authorized in writing by both the disputing Party and the Billing Party (that is, signature(s) from representative(s) of the disputing Party only are not sufficient to properly authorize any disbursement); or*
 - 15.4.4.5.2 *made in accordance with the final, non-appealable order of the arbitrator appointed pursuant to the provisions of Section 16.6.1 or*
 - 15.4.4.5.3 *made in accordance with the final, non-appealable order of the court that had jurisdiction to enter the arbitrator's award pursuant to Section 16.6.1*
- 15.5 *Disputed Amounts in escrow shall be subject to Late Payment Charges as set forth in Section 15.1.*
- 15.6 Issues related to Disputed Amounts shall be resolved in accordance with the procedures identified in the Dispute Resolution provisions set forth in Section 16.
- 15.7 If the Non-Paying Party disputes any charges for Resale Services or Network Elements and any portion of the dispute is resolved in favor of such Non-Paying Party, the Parties shall cooperate to ensure that all of the following actions are taken:
 - 15.7.1 the Billing Party shall credit the invoice of the Non-Paying Party for that portion of the Disputed Amounts resolved in favor of the Non-Paying Party, together with any Late Payment Charges assessed with respect thereto no later than the second Bill Due Date after the resolution of the Dispute;
 - 15.7.2 *within fifteen (15) calendar days after resolution of the Dispute, the portion of the escrowed Disputed Amounts resolved in favor of the Non-Paying Party shall be released to the Non-Paying Party, together with any accrued interest thereon;*

15.7.3 *within fifteen (15) calendar days after resolution of the Dispute, the portion of the Disputed Amounts resolved in favor of the Billing Party shall be released to the Billing Party, together with any accrued interest thereon; and*

15.7.4 no later than the third Bill Due Date after the resolution of the dispute regarding the Disputed Amounts, the Non-Paying Party shall pay the Billing Party the *difference between the amount of accrued interest such Billing Party received from the escrow disbursement and the amount of Late Payment Charges* such Billing Party is entitled to receive pursuant to Section.

15.8 Failure by the Non-Paying Party to pay any charges determined by final non-appealable order resulting from the dispute resolution process to be owed to the Billing Party within the time specified in the order or if no time is specified, then within the time set forth in Section 15.7.2 shall be grounds for termination of this Agreement.

15.9 If either Party request one or more additional copies of a bill, the requesting Party will pay the Billing Party a reasonable fee for each additional copy, unless such copy was requested due to failure in delivery of the original bill or correction(s) to the original bill.

16. Dispute Resolution

16.1 Finality of Disputes

16.1.1 Except as otherwise specifically provided in this Agreement, no claims will be brought for disputes arising from this Agreement more than twenty-four (24) months from the date the occurrence which gives rise to the dispute is discovered or reasonably should have been discovered with the exercise of due care and attention.

16.1.2 Notwithstanding anything contained in this Agreement to the contrary, a Party shall be entitled to dispute only those charges for which the Bill Due Date occurred within the twelve (12) months immediately preceding the date on which the other Party received notice of such Disputed Amounts.

16.2 Alternative to Litigation

16.2.1 The Parties desire to resolve disputes arising out of this Agreement without litigation. Accordingly, except for action seeking a temporary restraining

order or an injunction related to the purposes of this Agreement, or suit to compel compliance with this Dispute Resolution process, the Parties agree to use the following Dispute Resolution procedure with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

16.2 Commencing Dispute Resolution

16.2.1 Dispute Resolution shall commence upon one Party's receipt of written notice of a controversy or claim arising out of or relating to this Agreement or its breach. No Party may pursue any claim unless such written notice has first been given to the other Party. There are three (3) separate Dispute Resolution methods:

16.2.1.1 Service Center (**SBC-AMERITECH**);

16.2.1.2 Informal Dispute Resolution; and

16.2.1.3 Formal Dispute Resolution,
each of which is described below.

16.3 LSC/Service Center/LEC-C Dispute Resolution the following Dispute Resolution procedures will apply with respect to any billing dispute arising out of or relating to the Agreement.

16.3.1 If the written notice given pursuant to Section 15.4 discloses that a CLEC dispute relates to billing, then the procedures set forth in this Section 16.3.1 shall be used and the dispute shall first be referred to the appropriate service center [**SBC-AMERITECH** Service Center; for resolution. In order to resolve a billing dispute, CLEC shall furnish **AMERITECH-ILLINOIS** written notice of (i) the date of the bill in question, (ii) CBA/ESBA/ASBS or BAN number of the bill in question, (iii) telephone number, circuit ID number or trunk number in question, (iv) any USOC information relating to the item questioned, (v) amount billed and (vi) amount in question and (vii) the reason that CLEC disputes the billed amount. *To be deemed a "dispute" under this Section 16.3.1 CLEC must provide evidence that it has established an interest bearing escrow account that complies with the requirements set forth in Section 15.4 of this Agreement and deposited all Unpaid Charges relating to Resale Services and Network Elements into that escrow account. Failure to provide the information and evidence required by this Section 16.3.1 not later than twenty-nine (29) calendar days following the Bill Due Date*

shall constitute CLEC's irrevocable and full waiver of its right to dispute the subject charges.

- 16.3.2 The Parties shall attempt to resolve Disputed Amounts appearing on **AMERITECH-ILLINOIS**' current billing statements thirty (30) to sixty (60) calendar days from the Bill Due Date (provided the CLEC furnishes all requisite information and evidence under Section 16.3.1 by the Bill Due Date). If not resolved within thirty (30) calendar days, upon request, **AMERITECH-ILLINOIS** will notify CLEC of the status of the dispute and the expected resolution date.
- 16.3.3 The Parties shall attempt to resolve Disputed Amounts appearing on statements prior to the current billing statement within thirty (30) to ninety (90) calendar days, but resolution may take longer depending on the complexity of the dispute. If not resolved within thirty (30) calendar days from the date notice of the Disputed Amounts was received (provided that CLEC furnishes all requisite information and evidence under Section 10.4.1), **AMERITECH-ILLINOIS** will notify CLEC of the status of the dispute and the expected resolution date.

16.3.4 Any notice of Disputed Amounts given by **AMERITECH-ILLINOIS** to CLEC pursuant to Section 16.3 shall furnish CLEC written notice of: (i) the date of the bill in question, (ii) the account number or other identification of the bill in question, (iii) any telephone number, circuit ID number or trunk number in question, (iv) any USOC (or other descriptive information) questioned, (v) the amount billed, (vi) the amount in question, and (vii) the reason that **AMERITECH-ILLINOIS** disputes the billed amount. The Parties shall attempt to resolve Disputed Amounts appearing on current billing statement(s) thirty (30) to sixty (60) calendar days from the Bill Due Date (provided **AMERITECH-ILLINOIS** furnishes all requisite information by the Bill Due Date) and Disputed Amounts appearing on statements prior to the current billing statement within thirty (30) to ninety (90) calendar days, but resolution may take longer depending on the complexity of the dispute. If not resolved within thirty (30) calendar days, CLEC will notify **AMERITECH-ILLINOIS** of the status of the dispute and the expected resolution date.

16.3.5 If the Non-Paying Party is not satisfied by the resolution of the billing dispute under this Section 16.3, the Non-Paying Party may notify the Billing Party in writing that it wishes to invoke the Informal Resolution of Disputes afforded pursuant to Section 16.4 of this Agreement.

16.4 Informal Resolution of Disputes

16.4.1 Upon receipt by one Party of notice of a dispute by the other Party pursuant to Section 16.3 or Section 16.4., each Party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising under this Agreement. The location, form, frequency, duration, and conclusion of these discussions will be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative Dispute Resolution procedures such as mediation to assist in the negotiations. Discussions and the correspondence among the representatives for purposes of settlement are exempt from discovery and production and will not be admissible in the arbitration described below or in any lawsuit without the concurrence of both Parties. Documents identified in or provided with such communications that were not prepared for purposes of the negotiations are not so exempted, and, if otherwise admissible, may be admitted in evidence in the arbitration or lawsuit.

16.5 **Formal Resolution of Disputes**

16.5.1 Except as otherwise specifically set forth in this Agreement, for all disputes arising out of or pertaining to this Agreement, including but not limited to matters not specifically addressed elsewhere in this Agreement which require clarification, re-negotiation, modifications or additions to this Agreement, either party may invoke dispute resolution procedures available pursuant to the dispute resolution rules, as amended from time to time, of the Commission. Also, upon mutual agreement, the parties may seek commercial binding arbitration as specified in Section 16.6.1.

16.5.2 The Parties agree that the Dispute Resolution procedures set forth in this Agreement are not intended to conflict with applicable requirements of the Act or the state commission with regard to procedures for the resolution of disputes arising out of this Agreement.

16.6 **Arbitration**

16.6.1 When both parties agree to binding arbitration, disputes will be submitted to a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association or pursuant to such other provider of arbitration services or rules as the Parties may agree. The arbitrator shall be a person knowledgeable in the area of telecommunications. The place where each separate arbitration will be held will be Madison, Illinois, unless the Parties agree otherwise. The arbitration hearing will be requested to commence within 60 days of the demand for arbitration. The arbitrator will control the scheduling so as to process the matter expeditiously. The Parties may submit written briefs upon a schedule determined by the arbitrator. The Parties will request that the arbitrator rule on the dispute by issuing a written opinion within 30 days after the close of hearings. The arbitrator has no authority to order punitive or consequential damages. The times specified in this Section may be extended or shortened upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. Each Party will bear its own costs of these procedures. The Parties will equally split the fees of the arbitration and the arbitrator. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

17. Non-Payment and Disconnection

- 17.1. Unless otherwise specified therein, Sections 17.1, 17.2, 17.3, 17.4 and 17.5 shall apply to all charges billed for all services Interconnection, Resale Services, Network Elements, functions, facilities, products and services furnished under this Agreement. Section 17.6 shall apply only to Resale Services and Network Elements furnished under this Agreement.
- 17.2. Failure of **CLEC** *the Billed Party* to pay charges or by the due date provide reasonably specific notice of any disputed charges, (Unpaid Charges), may be grounds for disconnection of Interconnection, Resale Services, network Elements, functions, facilities, products and services furnished under this Agreement. If **CLEC** *the Billed Party* fails to pay by the Bill Due Date, any and all charges billed to them under this Agreement, including any Late Payment Charges or miscellaneous charges (“**Unpaid Charges**”), and any portion of such Unpaid Charges remain unpaid after the Bill Due Date *the Billing Party* **Ameritech** shall notify *the Billed Party* **CLEC** in writing that in order to avoid disruption or disconnection of the applicable Interconnection, Resale Services, Network Elements, functions, facilities, products and services furnished under this Agreement, *the Billed Party* **CLEC** must remit all Unpaid Charges to the Billing Party.
- 17.3. Intentionally Omitted.
- 17.4. Disputes hereunder will be resolved in accordance with the Dispute Resolution Procedures set out in Section 16 of this Agreement.
- 17.5. If any undisputed CLEC charges remain unpaid at the conclusion of the time period as set forth in Section 15.1.1 above (30 calendar days from the due date of such unpaid charges), **SBC-AMERITECH** will notify CLEC, the appropriate commission(s) and the end user’s IXC(s) of Record in writing, that unless all charges are paid within thirty (30) calendar days, CLEC’s service may be disconnected and CLEC’s end users may be switched another provider’s local service as directed by the commission. **SBC-AMERITECH** may also suspend order acceptance at this time.
- 17.6. **SBC/AMERITECH** may discontinue service to CLEC upon failure to pay undisputed charges only as provided in this section, and will have no liability to CLEC in the event of such disconnection.

- 17.7. After disconnect procedures have begun, **SBC-AMERITECH** will not accept service orders from CLEC until all unpaid, undisputed charges are paid. **SBC-AMERITECH** will have the right to require a deposit equal to one month's charges (based on the highest previous month of service from **SBC-AMERITECH**) prior to resuming service to CLEC after disconnect for nonpayment.
- 17.8. Beyond the specifically set out limitations in this section, nothing herein will be interpreted to obligate **SBC-AMERITECH** to continue to provide service to any such end users or to limit any and all disconnection rights **SBC-AMERITECH** may have with regard to such end users.
- 17.9. If the Billed Party **CLEC** desires to dispute any portion of the Unpaid Charges CLEC shall pay the undisputed portion of the charges, and follow the procedures set forth in *Section 15.4 – 15.9* Section 16.3 with respect to the disputed portion of the charges. set forth in *Section 16*.

18. **Notices**

- 18.1 In the event any notices are required to be sent under the terms of this Agreement, they may be sent by mail and are deemed to have been given on the date received. Notice may also be effected by personal delivery or by overnight courier, and will be effective upon receipt. Notice may also be provided by facsimile, which will be effective on the next business day following the date of transmission; provided, however, notices to a Party's 24-hour maintenance contact number will be by telephone and/or facsimile and will be deemed to have been received on the date transmitted. The Parties will provide the appropriate telephone and facsimile numbers to each other. Unless otherwise specifically provided in this Agreement, notice will be directed as follows:
- 18.2 If to TDS:

Shane T. Kaatz
Manager of ILEC Relations
TDS Metrocom, Inc.
1212 Deming Way, Suite 350
Madison, WI 53717-1958

18.3 If to **AMERITECH-ILLINOIS:**

Contract Administration
ATTN: Notices Manager
Four Bell Plaza, 9th Floor
311 S. Akard Street
Dallas, TX 75202-5398
Facsimile Number: 214 464 2006

- 18.4 Either Party may unilaterally change its designated representative and/or address, telephone contact number or facsimile number for the receipt of notices by giving written notice to the other Party in compliance with this Section. Any notice to change the designated contact, address, telephone and/or facsimile number for receipt of notices will be deemed effective ten (10) calendar days following receipt by the other Party.

19. Taxes

- 19.1 With respect to any purchase of service under this Agreement, if any Federal, state or local government tax, fee, surcharge, or other tax-like charge (a "Tax") is required or permitted by applicable law, ordinance or tariff to be collected from a purchasing Party by the providing Party, then (i) the providing Party will bill, as a separately stated item, the purchasing Party for such Tax, (ii) the purchasing Party will timely remit such Tax to the providing Party, and (iii) the providing Party will remit such collected Tax to the applicable taxing authority.
- 19.2 If the providing Party does not collect a Tax because the purchasing Party asserts that it is not responsible for the tax, or is otherwise excepted from the obligation which is later determined by formal action to be wrong then, as between the providing Party and the purchasing Party, the purchasing Party will be liable for such uncollected Tax and any interest due and/or penalty assessed on the uncollected Tax by the applicable taxing authority or governmental entity.
- 19.3 If either Party is audited by a taxing authority or other governmental entity the other Party agrees to reasonably cooperate with the Party being audited in order to respond to any audit inquiries in a proper and timely manner so that the audit and/or any resulting controversy may be resolved expeditiously.

- 19.4 If applicable law excludes or exempts a purchase of services under this Agreement from a Tax, and if such applicable law also provides an exemption procedure, such as an exemption certificate requirement, then, if the purchasing Party complies with such procedure, the providing Party, subject to Section 12.2, will not collect such Tax during the effective period of the exemption. Such exemption will be effective upon receipt of the exemption certificate or affidavit in accordance with Section 12.7.
- 19.5 If applicable law excludes or exempts a purchase of services under this Agreement from a Tax, but does not also provide an exemption procedure, then the providing Party will not collect such Tax if the purchasing Party (i) furnishes the providing Party with a letter signed by an officer of the purchasing Party claiming an exemption and identifying the applicable law which allows such exemption, and (ii) supplies the providing Party with an indemnification agreement, reasonably acceptable to the providing Party, which holds the providing Party harmless on an after-tax basis with respect to forbearing to collect such Tax.
- 19.6 If either Party is audited by a taxing authority or other Governmental Authority, he other Party agrees to reasonably cooperate with the Party being audited in order to respond to any audit inquiries in a proper and timely manner so that the audit and/or any resulting controversy may be resolved expeditiously.
- 19.7 To the extent a sale is claimed to be for resale and thus subject to tax exemption, the purchasing Party shall furnish the providing Party a proper resale tax exemption certificate as authorized or required by statute or regulation of the jurisdiction providing said resale tax exemption. Failure to timely provide said resale tax exemption certificate will result in no exemption being available to the purchasing Party for any period prior to the date that the purchasing Party presents a valid certificate. If Applicable Law excludes or exempts a purchase of Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement from a Tax, but does not also provide an exemption procedure, then the providing Party will not collect such Tax if the purchasing Party (a) furnishes the providing Party with a letter signed by an officer of the purchasing Party claiming an exemption and identifying the Applicable Law that both allows such exemption and does not require an exemption certificate; and (b) supplies the providing Party with an indemnification agreement, reasonably acceptable to the providing Party, which holds the providing Party harmless from any tax, interest, penalties, loss, cost or expense with respect to forbearing to collect such Tax.
- 19.8 With respect to any Tax or Tax controversy covered by this **Section 19**, the purchasing Party is entitled to contest with the imposing jurisdiction, pursuant to

Applicable Law and at its own expense, any Tax that it is ultimately obligated to pay or collect. The purchasing Party will ensure that no lien is attached to any asset of the providing Party as a result of any contest. The purchasing Party shall be entitled to the benefit of any refund or recovery of amounts that it had previously paid resulting from such a contest. Amounts previously paid by the providing Party shall be refunded to the providing Party. The providing Party will cooperate in any such contest.

- 19.9 All notices, affidavits, exemption certificates or other communications required or permitted to be given by either Party to the other under this Section shall be sent in accordance with Section 18 hereof.

20. Force Majeure

- 20.1 Except as otherwise specifically provided in this Agreement, neither Party will be liable for any delay or failure in performance of any part of this Agreement caused by a Force Majeure condition, including acts of the United States of America or any state, territory, or political subdivision thereof, acts of God or a public enemy, fires, floods, labor disputes such as strikes and lockouts, freight embargoes, earthquakes, volcanic actions, wars, civil disturbances, cable cuts, or other causes beyond the reasonable control of the Party claiming excusable delay or other failure to perform. Provided, Force Majeure will not include acts of any Governmental Authority relating to environmental, health, or safety conditions at work locations. If any Force Majeure condition occurs the Party whose performance fails or is delayed because of such Force Majeure conditions will give prompt notice to the other Party, and upon cessation of such Force Majeure condition, will give like notice and commence performance hereunder as promptly as reasonably practicable.

21. Publicity

- 21.1 The Parties agree not to use in any advertising or sales promotion, press releases or other publicity matters, any endorsements, direct or indirect quotes or pictures implying endorsement by the other Party or any of its employees without such Party's prior written approval. The Parties will submit to each other for written approval, prior to publication, all such publicity endorsement matters that mention or display the other's name and/or marks or contain language from which a connection to said name and/or marks may be inferred or implied; the Party to whom a request is directed shall respond promptly. Nothing herein, however, shall be construed as preventing either Party from publicly stating the fact that it has executed this Agreement with the other Party. This does not prohibit the use of valid comparison advertising.

- 21.2 Nothing in this Agreement shall grant, suggest, or imply any authority for either Party to use the name, trademarks, service marks, trade names, brand names, logos, proprietary trade dress or trade names, insignia, symbols or decorative designs of the other Party or its affiliates without the other Party's prior written authorization.

22. Network Maintenance and Management

- 22.1 The Parties will work cooperatively to implement this Agreement. The Parties will exchange appropriate information (e.g., maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the Government, etc.) to achieve this desired result.
- 22.2 Each Party will provide a 24-hour contact number for Network Traffic Management issues to the other's surveillance management center. Each Party will administer its network to ensure acceptable service levels to all users of its network services. Service levels are generally considered acceptable only when End Users are able to establish connections with little or no delay encountered in the network. A facsimile (FAX) number must also be provided to facilitate event notifications for planned mass calling events. Each party will maintain the right to implement protective network traffic management controls such as "cancel to" or "call gapping" or 7-digit and 10-digit code gaps, to selectively cancel the completion of traffic over its network, including traffic destined for the other Party's network, when required to protect the public-switched network from congestion as a result of occurrences such as facility failures, switch congestion or failure or focused overload. Each Party shall immediately notify the other Party of any protective control action planned or executed.
- 22.3 Where the capability exists, originating or terminating traffic reroutes may be implemented by either Party to temporarily relieve network congestion due to facility failures or abnormal calling patterns. Reroutes shall not be used to circumvent normal trunk servicing. Expansive controls shall be used only when mutually agreed to by the Parties.
- 22.4 The Parties shall cooperate and share pre-planning information regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes to prevent or mitigate the impact of these events on the public-switched network, including any disruption or loss of service to the other Party's End Users.

22.5 In the event of interference or impairment of the quality of service between services or facilities of CLEC and SBC-12STATE the parties agree to the following:

22.5.1 The party that first becomes aware of the interference will provide notice to the other party as soon as possible.

22.5.2 The parties will work cooperatively to determine the source of the interference and to implement mutually agreeable solutions that provide for the minimum negative impact to either party's products and services. However, CLEC acknowledges that multiple carriers connect to SBC-13State's network and in some instances the solution that minimizes the impact to the greatest number of carriers and end users may require that a facility, product, or service of CLEC be temporarily disconnected until the interference can be corrected.

22.5.3 If the parties are unable to agree upon a solution, either party may invoke the dispute resolution provisions of the Agreement, provided that a party may apply for injunctive relief immediately if such is required to prevent irreparable harm.

23. Law Enforcement and Civil Process

23.1 **SBC-12 STATE** and CLEC shall reasonably cooperate with the other Party in handling law enforcement requests as follows:

23.1.1 Intercept Devices –SBC-12STATE only

Local and federal law enforcement agencies periodically request information or assistance from local telephone service providers. When either Party receives a request associated with a customer of the other Party, the receiving Party will refer such request to the appropriate Party, unless the request directs the receiving Party to attach a pen register, trap-and-trace or form of intercept on the Party's own facilities, in which case that Party will comply with any valid request, to the extent the receiving party is able to do so; if such compliance requires the assistance of the other Party such assistance will be provided.

23.1.2 **Subpoenas –SBC-12STATE** only

If a Party receives a subpoena for information concerning an end user the Party knows to be an end user of the other Party, the receiving Party will refer the subpoena to the requesting entity with an indication that the other Party is the responsible company. Provided, however, if the subpoena requests records for a period of time during which the receiving Party was the end user's service provider, the receiving Party will respond to any valid request to the extent the receiving party is able to do so; if response requires the assistance of the other party such assistance will be provided.

23.1.3 **Law Enforcement Emergencies - SBC-12STATE** only

If a Party receives a request from a law enforcement agency to implement at its switch a temporary number change, temporary disconnect, or one-way denial of outbound calls for an end user of the other Party, the receiving Party will comply so long as it is a valid emergency request. Neither Party will be held liable for any claims or damages arising from compliance with such requests, and the Party serving the end user agrees to indemnify and hold the other Party harmless against any and all such claims.

24. Changes in Subscriber Carrier Selection

- 24.1 Each Party will abide by applicable federal and state laws and regulations in obtaining End User authorization prior to changing an End User's Local Exchange Carrier to itself and in assuming responsibility for any applicable charges as specified in Section 258(b) of the Telecommunications Act of 1996. Each Party shall deliver to the other Party a representation of authorization that applies to all orders submitted by a Party under this Agreement requiring a LEC change. A Party's representation of authorization shall be delivered to the other Party prior to the first order submitted to the other Party. Each Party shall retain on file all applicable letters and other documentation of authorization relating to its End User's selection of such Party as its LEC, which documentation shall be available for inspection by the other Party at its request during normal business hours and at no charge.

25. Amendments or Waivers

- 25.1 Except as otherwise provided in this Agreement, no amendment or waiver of any provision of this Agreement and no consent to any default under this Agreement will be effective unless the same is in writing and signed by an officer of the Party

against whom such amendment, waiver or consent is claimed. In addition, no course of dealing or failure of a Party strictly to enforce any term, right or condition of this Agreement will be construed as a waiver of such term, right, or condition. Waiver by either Party of any default by the other Party shall not be deemed a waiver of any other default. Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege. By entering into this Agreement, the Parties do not waive any right granted to them pursuant to the Act; however, the Parties enter into this Agreement without prejudice to any positions they have taken previously, or may take in the future in any legislative, regulatory or other public forum addressing any matters, including matters related to the types of arrangements prescribed by this Agreement.

- 25.2 Successor Rates.** Certain of the rates, prices and charges set forth in the applicable Appendix Pricing have been established by the appropriate Commissions in cost proceedings or dockets initiated under or pursuant to the Act. If during the Term that Commission or the FCC changes a rate, price or charge in an order or docket that applies to any of the Interconnection, Resale Services, Network Elements, functions, facilities, products and services available hereunder, the Parties agree to amend this Agreement to incorporate such new rates, prices and charges, with such rates, prices and charges to be effective as of the date specified in such order or docket (including giving effect to any retroactive application, if so ordered). If either Party refuses to execute an amendment to this Agreement within sixty (60) calendar days after the date of such order or docket, the other Party may pursue its rights under Section 16.

26. Intentionally Omitted.

27. GENERAL RESPONSIBILITIES OF THE PARTIES

- 27.2 SBC-12STATE** and CLEC shall each use their best efforts to meet the Interconnection Activation Dates.

- 27.3** Each Party is individually responsible to provide facilities within its network that are necessary for routing, transporting, measuring, and billing traffic from the other Party's network and for delivering such traffic to the other Party's network in the standard format as referenced in Telcordia BOC Notes on LEC Networks Practice No. SR-TSV-002275, and to terminate the traffic it receives in that standard format to the proper address on its network. The Parties are each solely

responsible for participation in and compliance with national network plans, including the National Network Security Plan and the Emergency Preparedness Plan.

- 27.4 The Parties shall exchange technical descriptions and forecasts of their Interconnection and traffic requirements in sufficient detail necessary to establish the Interconnections required to assure traffic completion to and from all End Users in their respective designated service areas.
- 27.5 Each Party is solely responsible for all products and services it provides to its End Users and to other Telecommunications Carriers.
- 27.6 Facilities-based carriers and UNE-based Switch Port providers are responsible for administering their End User records in a LIDB.
- 27.7 At all times during the term of this Agreement, each Party shall keep and maintain in force at its own expense the following minimum insurance coverage and limits and any additional insurance and/or bonds required by Applicable Law:
 - 27.7.1 Workers' Compensation insurance with benefits afforded under the laws of each state covered by this Agreement and Employers Liability insurance with minimum limits of \$1,000,000 for Bodily Injury-each accident, \$500,000 for Bodily Injury by disease-policy limits and \$1,000,000 for Bodily Injury by disease-each employee.
 - 27.7.2 Commercial General Liability insurance with minimum limits of: \$10,000,000 General Aggregate limit; \$5,000,000 each occurrence sub-limit for all bodily injury or property damage incurred in any one occurrence; \$1,000,000 each occurrence sub-limit for Personal Injury and Advertising; \$10,000,000 Products/Completed Operations Aggregate limit, with a \$5,000,000 each occurrence sub-limit for Products/Completed Operations. Fire Legal Liability sub-limits of \$2,000,000 are also required if this Agreement involves collocation. The other Party must be named as an Additional Insured on the Commercial General Liability policy.
 - 27.7.3 If use of an automobile is required, Automobile Liability insurance with minimum limits of \$1,000,000 combined single limits per occurrence for bodily injury and property damage, which coverage shall extend to all owned, hired and non-owned vehicles.
 - 27.7.4 Each Party shall require subcontractors providing services under this Agreement to maintain in force the insurance coverage and limits required

in Sections 27.7 through 27.7.3 of this Agreement provided that a Party may, with consent of the other Party, utilize a subcontractor with different limits of insurance if appropriate to the scope of work to be performed, consent not to be unreasonably withheld.

- 27.7.5 The Parties agree that companies affording the insurance coverage required under Section 27.7 shall have a rating of B+ or better and a Financial Size Category rating of VII or better, as rated in the A.M. Best Key Rating Guide for Property and Casualty Insurance Companies. Upon request from the other Party, each Party shall provide to the other Party evidence of such insurance coverage.
- 27.7.6 Each Party agrees to provide the other Party with at least thirty (30) calendar days advance written notice of cancellation, material reduction or non-renewal of any of the insurance policies required herein.
- 26.7.7 Each Party agrees to accept the other Party's program of self-insurance in lieu of insurance coverage if certain requirements are met. These requirements are as follows:
- 27.7.7.1 The Party desiring to satisfy its Workers' Compensation and Employers Liability obligations through self-insurance shall submit to the other Party a copy of its Certificate of Authority to Self-Insure its Workers' Compensation obligations issued by each state covered by this Agreement or the employer's state of hire; and
- 27.7.7.2 The Party desiring to satisfy its automobile liability obligations through self-insurance shall submit to the other Party a copy of the state-issued letter approving self-insurance for automobile liability issued by each state covered by this Agreement; and
- 27.7.7.3 The Party desiring to satisfy its general liability obligations through self-insurance must provide evidence acceptable to the other Party that it maintains at least an investment grade (e.g., B+ or higher) debt or credit rating as determined by a nationally recognized debt or credit rating agency such as Moody's, Standard and Poor's or Duff and Phelps.
- 27.7.8 This Section 27.7 is a general statement of insurance requirements and shall be in addition to any specific requirement of insurance referenced elsewhere in this Agreement or a Referenced Instrument.

- 27.8 Upon CLEC signature of this Agreement, CLEC shall provide **AMERITECH-ILLINOIS** with CLEC's state-specific authorized and nationally recognized OCN/AECNs for facilities-based (Interconnection and/or unbundled Network Elements) and a separate and distinct OCN/AECN for Resale Services.
- 27.9 In the event that CLEC makes any corporate name change (including addition or deletion of a d/b/a), change in OCN/AECN, or makes or accepts a transfer or assignment of interconnection trunks or facilities (including leased facilities), or a change in any other CLEC identifier (collectively, a "CLEC Change"), CLEC shall submit written notice to **AMERITECH-ILLINOIS** within thirty (30) calendar days of the first action taken to implement such CLEC Change. Within thirty (30) calendar days following receipt of that notice, the Parties shall negotiate rates to compensate **AMERITECH-ILLINOIS** for the costs to be incurred by **AMERITECH-ILLINOIS** to make the CLEC Change to the applicable **AMERITECH-ILLINOIS** databases, systems, records and/or recording announcement(s) for CLEC branded/repair calls. In addition, CLEC shall compensate **AMERITECH-ILLINOIS** for any service order charges and/or service request charges associated with such CLEC Change. **AMERITECH-ILLINOIS'** agreement to implement a CLEC Change is conditioned upon CLEC's agreement to pay all reasonable charges billed to CLEC for such CLEC Change.
- 27.10 When a End User changes its service provider from **AMERITECH-ILLINOIS** to CLEC or from CLEC to **AMERITECH-ILLINOIS** and does not retain its original telephone number, the Party formerly providing service to such End User shall furnish a referral announcement ("Referral Announcement") on the original telephone number that specifies the End User's new telephone number.
- 27.10.1 The following pertains to **AM-IL**, **AM-WI** only:
- 27.10.1.1 Referral Announcements shall be provided by a Party to the other Party for the period of time and at the rates set forth in the referring Party's tariff(s); provided, however, if either Party provides Referral Announcements for a period different (either shorter or longer) than the period(s) stated in its tariff(s) when its End Users change their telephone numbers, such Party shall provide the same level of service to End Users of the other Party.
- 27.11 Each Party shall be responsible for labor relations with its own employees. Each Party agrees to notify the other Party as soon as practicable whenever such Party has knowledge that a labor dispute concerning its employees is delaying or threatens to delay such Party's timely performance of its obligations under this

Agreement and shall endeavor to minimize impairment of service to the other Party.

- 27.12 Each Party shall act in good faith in its performance under this Agreement and, in each case in which a Party's consent or agreement is required or requested hereunder, such Party shall not unreasonably withhold or delay such consent or agreement.

28. Authority

- 28.1 Each person whose signature appears below represents and warrants that he or she has authority to bind the Party on whose behalf he or she has executed this Agreement.
- 28.2 Each of the **SBC**-owned ILEC(s) for which this Agreement is executed represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation. Each of the **SBC**-owned ILEC(s) for which this Agreement is executed represents and warrants that SBC Telecommunications, Inc. has full power and authority to execute and deliver this Agreement as agent for that **SBC**-owned ILEC. Each of the **SBC**-owned ILEC(s) for which this Agreement is executed represents and warrants that it has full power and authority to perform its obligations hereunder.
- 28.2 CLEC represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. CLEC represents and warrants that it has been or will be certified as a LEC by the Commission(s) prior to submitting any orders hereunder and is or will be authorized to provide the Telecommunications Services contemplated hereunder in the territory contemplated hereunder prior to submission of orders for such Service.

29. Binding Effect

- 29.1 This Agreement will be binding on and inure to the benefit of the respective successors and permitted assigns of the Parties.

30. Consent

- 30.1 Where consent, approval, or mutual agreement is required of a Party, it will not be unreasonably withheld or delayed.

31. Expenses

- 31.1 Except as specifically set out in this Agreement, each party will be solely responsible for its own expenses involved in all activities related to the subject of this Agreement.
- 31.2 **SBC-12STATE** and CLEC shall each be responsible for one-half (1/2) of expenses payable to a Third Party for Commission fees or other charges (including regulatory fees and any costs of notice or publication, but not including attorney's fees) associated with the filing of this agreement.

32. Headings

- 32.1 The headings and number of Sections, Parts, Appendices, Schedules and Exhibits to this Agreement are inserted for convenience and identification only and will not be considered to define or limit any of the terms herein or affect the meaning or interpretation of this Agreement.

33. Relationship of Parties/Independent Contractor

- 33.1 Each Party is an independent contractor, and has and hereby retains the right to exercise full control of and supervision over its own performance of its obligations under this Agreement and retains full control over the employment, direction, compensation and discharge of its employees assisting in the performance of such obligations. Each Party and each Party's contractor(s) shall be solely responsible for all matters relating to payment of such employees, including the withholding or payment of all applicable federal, state and local income taxes, social security taxes and other payroll taxes with respect to its employees, as well as any taxes, contributions or other obligations imposed by applicable state unemployment or workers' compensation acts and all other regulations governing such matters. Each Party has sole authority and responsibility to hire, fire and otherwise control its employees.
- 33.2 Nothing contained herein shall constitute the Parties as joint venturers, partners, employees or agents of one another, and neither Party shall have the right or power to bind or obligate the other. Nothing herein will be construed as making

either Party responsible or liable for the obligations and undertakings of the other Party. Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

34. Conflict of Interest

34.1 The Parties represent that no employee or agent of either Party has been or will be employed, retained, paid a fee, or otherwise received or will receive any personal compensation or consideration from the other Party, or any of the other Party's employees or agents in connection with the arranging or negotiation of this Agreement or associated documents.

35. Multiple Counterparts

35.1 This Agreement may be executed in multiple counterparts, each of which will be deemed an original but all of which will together constitute but one, and the same document.

36. Third Party Beneficiaries

36.1 This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein expressed or implied shall create or be construed to create any Third Party beneficiary rights hereunder, This Agreement shall not provide and will not be construed to provide any Person not a party hereto with any remedy, claim, liability, reimbursement, cause of action, or other right in excess of those existing without reference hereto.

37. Regulatory Approval

37.1 Each Party agrees to cooperate with the other and with any regulatory agency to obtain regulatory approval. During the term of this Agreement, each Party agrees

to continue to cooperate with each other and any regulatory agency so that the benefits of this Agreement may be achieved.

- 37.2 The Parties understand and agree that this Agreement and any amendment or modification hereto will be filed with the Commission for approval in accordance with Section 252 of the Act and may thereafter be filed with the FCC. The Parties believe in good faith and agree that the services to be provided under this Agreement are in the public interest. Each Party covenants and agrees to fully support approval of this Agreement by the Commission or the FCC under Section 252 of the Act without modification.

38 Regulatory Authority

- 38.1 SBC/AMERITECH will be responsible for obtaining and keeping in effect all Federal Communications Commission, state regulatory commission, franchise authority and other regulatory approvals that may be required in connection with the performance of its obligations under this Agreement. TDS will be responsible for obtaining and keeping in effect all Federal Communications Commission, state regulatory commission, franchise authority and other regulatory approvals that may be required in connection with its offering of services to TDS Customers contemplated by this Agreement. TDS will reasonably cooperate with SBC/AMERITECH in obtaining and maintaining any required approvals for which SBC/AMERITECH is responsible, and SBC/AMERITECH will reasonably cooperate with TDS in obtaining and maintaining any required approvals for which TDS is responsible.
- 38.2 No Tariff filing will supercede any provision of this agreement. This Section is not intended to apply to any SBC/AMERITECH tariffs or filings which do not affect TDS' rights or SBC/AMERITECH's obligations to TDS under this Agreement. This Section does not impair SBC/AMERITECH's right to file tariffs nor does it impair SBC/AMERITECH's right to file tariffs proposing new products and services and changes in the prices, terms and conditions of existing products and services, including discontinuance or grandfathering of existing features or services, of any telecommunications services that SBC/AMERITECH provides or hereafter provides to TDS under this Agreement pursuant to the provision of Appendix: Resale, nor does it impair TDS' right to contest such tariffs before the appropriate Commission.
- 38.3 SBC/AMERITECH will provide TDS two weeks prior notice of any tariff or filing which concerns a tariff referenced in this Agreement.

39. COMPLIANCE AND CERTIFICATION

- 39.1 Each Party shall comply at its own expense with all Applicable Laws that relate to that Party's obligations to the other Party under this Agreement. Nothing in this Agreement shall be construed as requiring or permitting either Party to contravene any mandatory requirement of Applicable Law.
- 39.2 Each Party warrants that it has obtained all necessary state certification required in each state covered by this Agreement prior to ordering any Interconnection, Resale Services, Network Elements, functions, facilities, products and services from the other Party pursuant to this Agreement. Upon request, each Party shall provide proof of certification.
- 39.3 Each Party shall be responsible for obtaining and keeping in effect all approvals from, and rights granted by, Governmental Authorities, building and property owners, other carriers, and any other Third Parties that may be required in connection with the performance of its obligations under this Agreement.
- 39.4 Each Party represents and warrants that any equipment, facilities or services provided to the other Party under this Agreement comply with the CALEA.

40. AUDITS – SBC-12STATE ONLY

- 40.1 Subject to the restrictions set forth in Section 8 and except as may be otherwise expressly provided in this Agreement, a Party (the "**Auditing Party**") may audit the other Party's (the "**Audited Party**") books, records, data and other documents, as provided herein, once annually, with the audit period commencing not earlier than the date on which services were first supplied under this Agreement ("**service start date**") for the purpose of evaluating (i) the accuracy of Audited Party's billing and invoicing of the services provided hereunder and (ii) verification of compliance with any provision of this Agreement that affects the accuracy of Auditing Party's billing and invoicing of the services provided to Audited Party hereunder. Notwithstanding the foregoing, an Auditing Party may audit the Audited Party's books, records and documents more than once annually if the previous audit found (i) previously uncorrected net variances or errors in invoices in Audited Party's favor with an aggregate value of at least five percent (5%) of the amounts payable by Auditing Party for audited services provided during the period covered by the audit or (ii) non-compliance by Audited Party with any provision of this Agreement affecting Auditing Party's billing and invoicing of the services provided to Audited Party with an aggregate value of at least five percent (5%) of

the amounts payable by Audited Party for audited services provided during the period covered by the audit.

- 40.1.1 The scope of the audit shall be limited to the period which is the shorter of (i) the period subsequent to the last day of the period covered by the audit which was last performed (or if no audit has been performed, the service start date and (ii) the twelve (12) month period immediately preceding the date the Audited Party received notice of such requested audit, but in any event not prior to the service start date. Such audit shall begin no fewer than thirty (30) calendar days after Audited Party receives a written notice requesting an audit and shall be completed no later than thirty (30) calendar days after the start of such audit.
- 40.1.2 Such audit shall be conducted either by the Auditing Party's employee(s) or an independent auditor acceptable to both Parties; provided, however, if the Audited Party requests that an independent auditor be engaged and the Auditing Party agrees, the Audited Party shall pay one-quarter (1/4) of the independent auditor's fees and expenses. If an independent auditor is to be engaged, the Parties shall select an auditor by the thirtieth day following Audited Party's receipt of a written audit notice. Auditing Party shall cause the independent auditor to execute a nondisclosure agreement in a form agreed upon by the Parties.
- 40.1.3 Each audit shall be conducted on the premises of the Audited Party during normal business hours. Audited Party shall cooperate fully in any such audit and shall provide the auditor reasonable access to any and all appropriate Audited Party employees and any books, records and other documents reasonably necessary to assess (i) the accuracy of Audited Party's bills and (ii) Audited Party's compliance with the provisions of this Agreement that affect the accuracy of Auditing Party's billing and invoicing of the services provided to Audited Party hereunder. Audited Party may redact from the books, records and other documents provided to the auditor any Audited Party Proprietary Information that reveals the identity of End Users of Audited Party.
- 40.1.4 Each Party shall maintain reports, records and data relevant to the billing of any services that are the subject matter of this Agreement for a period of not less than twenty-four (24) months after creation thereof, unless a longer period is required by Applicable Law.
- 40.1.5 If any audit confirms any undercharge or overcharge, then Audited Party shall (i) promptly correct any billing error, including making refund of any

overpayment by Auditing Party in the form of a credit on the invoice for the first full billing cycle after the Parties have agreed upon the accuracy of the audit results and (ii) for any undercharge caused by the actions of the Audited Party, immediately compensate Auditing Party for such undercharge, and (iii) in each case, calculate and pay interest as provided in Section 15.1.5.1 (depending on the **SBC**-owned ILEC(s) involved), for the number of calendar days from the date on which such undercharge or overcharge originated until the date on which such credit is issued or payment is made and available.

- 40.1.6 Except as may be otherwise provided in this Agreement, audits shall be performed at Auditing Party's expense, subject to reimbursement by Audited Party of one-quarter (1/4) of any independent auditor's fees and expenses in the event that an audit finds, and the Parties subsequently verify, a net adjustment in the charges paid or payable by Auditing Party hereunder by an amount that is, on an annualized basis, greater than five percent (5%) of the aggregate charges for the audited services during the period covered by the audit.
- 40.1.7 Any disputes concerning audit results shall be referred to the Parties' respective personnel responsible for informal resolution. If these individuals cannot resolve the dispute within thirty (30) calendar days of the referral, either Party may request in writing that an additional audit shall be conducted by an independent auditor acceptable to both Parties, subject to the requirements set out in this section. Any additional audit shall be at the requesting Party's expense.

41. Complete Terms

The terms contained in this Agreement and any Appendices, Attachments, Exhibits, Schedules, and Addenda constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written.

42. Cooperation on Preventing End User Fraud

42.1 Neither party shall be liable for any fraud associated with the other Party's End User's account, including 1+ IntraLATA toll, ported numbers, and Alternate Billing Service (ABS). ABS is a service that allows End Users to bill calls to account(s) that might not be associated with the originating line. There are three types of ABS calls: calling card, collect, and third number billed calls.

42.2 The Parties agree to cooperate with one another to investigate, minimize, and take corrective action in cases of fraud. The Parties' fraud minimization procedures are to be cost-effective and implemented so as not to unduly burden or harm one Party as compared to the other.

42.3 In cases of suspected fraudulent activity by an End User, at a minimum, the cooperation referenced above will include providing to the other Party, upon request, information concerning end users who terminate services to that Party without paying all outstanding charges. The Party seeking such information is responsible for securing the end user's permission to obtain such information.

42.4 **SBC-AMERITECH**, will provide notification messages to CLEC on suspected occurrences of ABS-related fraud on CLEC accounts stored in the applicable LIDB. **SBC-AMERITECH**, will provide via fax.

42.4.1 42.4.2 CLEC understands that Sleuth alerts only identify potential occurrences of fraud. CLEC understands and agrees that it will need to perform its own investigations to determine whether a fraud situation actually exists. CLEC understands and agrees that it will also need to determine what, if any, action CLEC should take as a result of a Sleuth alert.

42.4.3 The Parties will provide contact names and numbers to each other for the exchange of Sleuth alert notification information twenty-four (24) hours per day seven (7) days per week.

42.4.4 For each alert notification provided to CLEC, CLEC may request a corresponding thirty-day (30-day) historical report of ABS-related query processing. CLEC may request up to three reports per alert.

43. Notice of Network Changes

Nothing in this Agreement shall limit either Party's ability to upgrade its network through the incorporation of new equipment, new software or otherwise. Each Party agrees to provide reasonable notice of changes in the information necessary for the transmission and routing of services using facilities or networks, as well as other changes that affect the interoperability of those respective facilities and networks, in compliance with the Network Disclosure rules adopted by the FCC in CC Docket No. 96-98, Second Report and Order, codified at 47 C.F.R. 51.325 through 51.335, as such rules may be amended from time to time (the "**Network Disclosure Rules**").

44.0 Good Faith Performance

44.1 In the performance of their obligations under this Agreement the Parties will act in good faith and consistently with the intent of the Act. Where notice, approval or similar action by a Party is permitted or required by any provision of this Agreement, (including, without limitation, the obligation of the parties to further negotiate the resolution of new or open issues under this Agreement) such action will not be unreasonably delayed, withheld or conditioned.

45 Intentionally Omitted.

46. Intentionally Omitted.

47. Governmental Compliance

47.1 TDS and **AMERITECH-ILLINOIS** each will comply at its own expense with all applicable law related to i) its obligations under or activities in connection with this Agreement; of ii) its activities undertaken at, in connection with or relating to work locations. TDS and **AMERITECH-ILLINOIS** each agree to indemnify, defend, (at the other party's request) and save harmless the other, each of its officers, directors and employees from and against any losses, damages, claims, demands, suits, liabilities, fines, penalties, and expenses (including reasonable attorneys' fees) that arise out of or result from its failure or the failure of its contractors or agents to so comply. Except as expressly specified in this Agreement, **AMERITECH-ILLINOIS**, at its own expense, will be solely responsible for obtaining from governmental authorities, building owners, other carriers, and any other persons or entities, all rights and privileges (including, but

not limited to, space and power), which are necessary for **AMERITECH-ILLINOIS** to provide the Network Elements and Resale services pursuant to this Agreement.

48. Responsibility for Environmental Contamination

48.1 Each Party will be solely responsible at its own expense for the proper handling, storage, transport, treatment, disposal and use of all Hazardous Substances by such Party and its contractors and agents. "Hazardous Substances" includes those substances:

48.1.1 included within the definition of hazardous substance, hazardous waste, hazardous material, toxic substance, solid waste or pollutant or contaminant under any Applicable Law, and

48.1.2 listed by any governmental agency as a hazardous substance.

48.2 CLEC will in no event be liable to **AMERITECH-ILLINOIS** for any costs whatsoever resulting from the presence or Release of any Environmental Hazard, including Hazardous Substances, that TDS did not introduce to the affected work location. **AMERITECH-ILLINOIS** will indemnify, defend (at TDS's request) and hold harmless TDS, each of its officers, directors and employees from and against any losses, damages, claims, demands, suits, liabilities, fines, penalties and expenses (including reasonable attorneys' fees) that arises out of or result from (i) any Environmental Hazard that **AMERITECH-ILLINOIS**, its contractors or agents introduce to the work locations or (ii) the presence or Release of any Environmental Hazard for which **AMERITECH-ILLINOIS** is responsible under Applicable Law.

48.3 **AMERITECH-ILLINOIS** will in no event be liable to TDS for any costs whatsoever resulting from the presence or Release of any Environmental Hazard that **AMERITECH-ILLINOIS** did not introduce to the affected work location. CLEC will indemnify, defend (at **AMERITECH-ILLINOIS**' request) and hold harmless **AMERITECH-ILLINOIS**, each of its officers, directors and employees from and against any losses, damages, claims, demands, suits, liabilities, fines, penalties and expenses (including reasonable attorneys' fees) that arise out of or result from i) any Environmental Hazard that CLEC, its contractors or agents introduce to the work locations or ii) the presence or Release of any Environmental Hazard for which CLEC is responsible under Applicable Law.

49. Subcontracting

- 49.1 If any obligation is performed through a subcontractor, each party will remain fully responsible for the performance of this Agreement in accordance with its terms, including any obligations either party performs through subcontractors, and each party will be solely responsible for payments due the party's subcontractors. No contract, subcontract or other Agreement entered into by either Party with any third party in connection with the provision of Resale services or Network Elements hereunder will provide for any indemnity, guarantee or assumption of liability by, or other obligation of, the other Party to this Agreement with respect to such arrangement, except as consented to in writing by the other Party. No subcontractor will be deemed a third party beneficiary for any purposes under this Agreement. Any subcontractor who gains access to CPNI or Confidential Information covered by this Agreement will be required by the subcontracting Party to protect such CPNI or Confidential Information to the same extent the subcontracting Party is required to protect the same under the terms of this Agreement.

50. Referenced Documents

- 50.1 Unless the context shall otherwise specifically require, and subject to Section 21, whenever any provision of this Agreement refers to a technical reference, technical publication, any publication of telecommunications industry administrative or technical standards, or any other document specifically incorporated into this Agreement, it will be deemed to be a reference to the most recent version or edition (including any amendments, supplements, addenda, or successors) of each document that is in effect, and will include the most recent version or edition (including any amendments, supplements, addenda, or successors) of each document incorporated by reference in such a technical reference, technical publication, or publication of industry standards.

50.2 References

References herein to Sections, Paragraphs, Exhibits, Parts, Schedules, and Appendices shall be deemed to be references to Sections, Paragraphs and Parts of, and Exhibits, Schedules and Appendices to, this Agreement unless the context shall otherwise require.

50.3 Tariff References

- 50.3.1 Wherever any Commission ordered tariff provision or rate is cited or quoted herein, it is understood that said cite encompasses any revisions or modifications to said tariff.

50.3.2 Wherever any Commission ordered tariff provision or rate is incorporated, cited or quoted herein, it is understood that said incorporation or reference applies only to the entity within the state whose Commission ordered that tariff.

50.4 Conflict in Provisions

50.4.1 In the event of a conflict between the provisions of this Agreement and the Act, the provisions of the Act shall govern.

50.4.2 If any definitions, terms or conditions in any given Appendix, Attachment, Exhibit, Schedule or Addenda differ from those contained in the main body of this Agreement, those definitions, terms or conditions will supersede those contained in the main body of this Agreement, but only in regard to the services or activities listed in that particular Appendix, Attachment, Exhibit, Schedule or Addenda. In particular, if an Appendix contains a Term length that differs from the Term length in the main body of this Agreement, the Term length of that Appendix will control the length of time that services or activities are to occur under that Appendix, but will not affect the Term length of the remainder of this Agreement.

50.5 Joint Work Product

50.5.1 This Agreement is the joint work product of the Parties and has been negotiated by the Parties and their respective counsel and shall be fairly interpreted in accordance with its terms and, in the event of any ambiguities, no inferences shall be drawn against either Party.

51. Severability

51.1 Subject to the provisions set forth in Section 4 of the general Terms and Conditions, if any term, condition or provision of this Agreement is held to be invalid or unenforceable for any reason, each Party agrees that such provision shall be enforced to the maximum extent permissible so as to effect the intent of the parties, and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be impaired or affected thereby. If necessary to effectuate the intent of the Parties, the Parties will promptly negotiate in good faith to amend this Agreement with a replacement provision or provisions for the unenforceable language that reflects such intent as closely as possible. If impasse is reached, the Parties will resolve said impasse under the dispute resolution procedures set forth in Section 16.

51.2 Incorporation by Reference

The General Terms and Conditions of this Agreement, and every Interconnection, Resale Service Network Element, function, facility, product or service provided hereunder, shall be subject to all rates, terms and conditions contained in the Appendices to this Agreement which are legitimately related to such Interconnection, Resale Service, Network Element, function, facility, product or service.

52. Survival of Obligations

52.1 Any liabilities or obligations of a Party for acts or omissions prior to the cancellation or termination of this Agreement, any obligation of a Party under the provisions regarding indemnification, Confidential Information, limitations on liability, and any other provisions of this Agreement which, by their terms, are contemplated to survive (or to be performed after) termination of this Agreement, will survive cancellation or termination thereof.

53. Governing Law

53.1 Unless otherwise provided by Applicable Law, this Agreement shall be governed by and construed in accordance with the Act, the FCC Rules and Regulations interpreting the Act and other applicable federal law, as well as the laws of the State of Illinois, and the rules and regulations of the Commission. To the extent that federal law would apply state law in interpreting this Agreement, the domestic laws of the state in which the Interconnection, Resale Services, Network Elements, functions, facilities, products and services at issue are furnished or sought shall apply, without regard to that state's conflict of laws principles. The Parties submit to personal jurisdiction in Madison, Illinois, and waive any and all objection to any such venue.

54. Performance Criteria

54.1 Specific provisions governing failure to meet Performance Criteria are contained in Appendix Performance Measurements.

55. Intentionally Omitted

56. **IN-REGION MOST FAVORED NATIONS (MFN) BETWEEN SBC STATES**

- 56.1 Subject to the conditions and limitations specified in Paragraph 43 of the **SBC-13STATE** Merger Conditions¹, SBC-13STATE shall make available to any requesting telecommunication carrier in the **SBC-13STATE** Area within any **SBC-13STATESBC/Ameritech** SBC-13STATE Service Area within any other SBC-13STATE state that (1) was negotiated with a telecommunications carrier, pursuant to 47 U.S.C. § 252(a)(1), by **SBC-13STATE** (that at all times during the interconnection agreement negotiations was AN SBC-owned ILEC) and (2) has been made available under an agreement to which **SBC-13STATE** is a party.
- 56.2 The Parties acknowledge and agree that it may require additional time to implement an interconnection arrangement or UNE ported from one SBC-owned ILEC state to another SBC-owned ILEC state pursuant to Paragraph 43 of the **SBC-13STATE** Merger Conditions. Thus, when a CLEC exercises its option to adopt an interconnection arrangement or UNE in accordance with Paragraph 43 of the **SBC-13STATE** Merger Conditions, the Parties shall meet within thirty (30) calendar days of state commission approval of the interconnection agreement or amendment containing such interconnection arrangement and/or UNE to agree upon an implementation schedule for such interconnection arrangement and/or UNE.
- 56.3 Paragraph 43 of the **SBC-13STATE** Merger Conditions as well as this Section 56 shall expire the earliest of October 8, 2002 or the termination date outlined in section 5 of the General Terms and Conditions of this Agreement, whichever is earlier.

57. APPENDICES INCORPORATED BY REFERENCE

ACCESS TO RIGHTS-OF-WAY -- SECTION 251(b)(4)

AMERITECH-ILLINOIS shall provide to CLEC access to Poles, Conduits and Rights of Ways pursuant to the applicable Appendix ROW, which is/are attached hereto and incorporated herein by reference.

¹ See the FCC's Memorandum Opinion and Order approving the SBC/Ameritech Merger Conditions, *In re Applications of Ameritech Corp., Transferor and SBC Communications, Inc., Transferee, For Consent to Transfer Control of Corporations Holding Commission Licenses and Lines Pursuant to Sections 214 and 310(d) of the Communications Act and Parts 5, 22, 24, 25, 63, 90, 95 and 101 of the Commission's Rules*, CC Docket 98-141, issued on October 8, 1999 ("FCC 99-279).

COLLOCATION -- SECTION 251(c)(6)

Collocation will be provided pursuant to the applicable Appendix Collocation, which is attached hereto and incorporated herein by reference.

DATABASE ACCESS

SBC13STATE shall provide to CLEC nondiscriminatory access to databases and associated signaling necessary for call routing and completion pursuant to the applicable Appendix UNE, which is/are attached hereto and incorporated herein by reference.

DIALING PARITY; INTERIM AND PERMANENT NUMBER PORTABILITY

The Parties shall provide Local Dialing Parity to each other as required under Section 251(b)(3) of the Act.

SBC12STATE shall provide IntraLATA Dialing Parity in accordance with Section 271(e)(2) of the Act.

The Parties shall provide to each other Permanent Number Portability (PNP) on a reciprocal basis as outlined in the applicable Appendix Number Portability, which is/are attached hereto and incorporated herein by reference.

BRANDING

Specific provisions concerning the branding of services provided to CLEC by AMERITECH-ILLINOIS under this Agreement are contained in the following Appendices to this Agreement: Appendix: Resale; Appendix OS; and Appendix DA;.

RESALE

AMERITECH-ILLINOIS shall provide to CLEC Telecommunications Services for resale at wholesale rates pursuant to the applicable Appendix Resale, which is/are attached hereto and incorporated herein by reference.

UNBUNDLED NETWORK ELEMENTS

Pursuant to the applicable Appendix UNE, which is/are attached hereto and incorporated herein by reference, AMERITECH-ILLINOIS will provide CLEC access to Unbundled Network elements for the provision of Telecommunications Service as required by Sections 251 and 252 of the Act and in the Appendices hereto. Specific Provisions concerning Unbundled Network Elements are addressed in Appendix __: Unbundled Network Elements, and other applicable Appendices.

OSS AND COMPREHENSIVE BILLING

In connection with its Resale of services and furnishing Unbundled Network Elements to TDS, AMERITECH-ILLINOIS agrees to provide to TDS OSS, and Billing pursuant to the terms specified in Appendices _____ respectively.

INTERCONNECTION TRUNKING REQUIREMENTS

AMERITECH-ILLINOIS shall provide to CLEC Interconnection of the Parties' facilities and equipment for the transmission and routing of Telephone Exchange Service traffic and Exchange Access traffic pursuant to the applicable Appendix ITR, which is/are attached hereto and incorporated herein by reference. Methods for Interconnection and Physical Architecture shall be as defined in the applicable Appendix NIM, which is/are attached hereto and incorporated herein by reference.

TRANSMISSION AND ROUTING OF SWITCHED ACCESS TRAFFIC PURSUANT TO 251(C)(2)

AMERITECH-ILLINOIS shall provide to CLEC certain trunk groups (Meet Point Trunks) under certain parameters pursuant to the applicable Appendix ITR, which is/are attached hereto and incorporated herein by reference.

TRANSMISSION AND ROUTING OF TELEPHONE EXCHANGE SERVICE TRAFFIC PURSUANT TO SECTION 251(C)(2)(D); 252(D)(1) AND (2); 47 CFR § 51.305(A)(5).

The applicable Appendix Compensation, which is/are attached hereto and incorporated herein by reference, prescribe traffic routing parameters for Local Interconnection Trunk Group(s) the Parties shall establish over the Interconnections specified in the applicable Appendix ITR, which is/are attached hereto and incorporated herein by reference.

AIN

One or more of the ILECs making up **AMERITECH-ILLINOIS** have deployed a set of AIN features and functionalities unique to the particular ILEC(s). As such, the AIN network architecture, methods of access and manner of provisioning are specific to that ILEC or those ILECs. Accordingly, any request for AIN access pursuant to this Agreement must be reviewed for technical feasibility, with all rates, terms and conditions related to such request to be determined on an individual case basis and to be negotiated between the Parties. Upon request by CLEC, and where technically feasible, **AMERITECH-ILLINOIS** will provide CLEC with access to **AMERITECH-ILLINOIS'** Advanced Intelligent Network (AIN) platform, AIN Service Creation Environment (SCE) and AIN Service Management System (SMS) based upon ILEC-specific rates, terms, conditions and means of access to be negotiated by the Parties pursuant to Section 252 of the Act, and incorporated into this Agreement by Appendix or amendment, as applicable, subject to approval by the appropriate state Commission.

DIRECTORY ASSISTANCE (DA)

AMERITECH-ILLINOIS will provide nondiscriminatory access to Directory Assistance services under the terms and conditions identified in the applicable Appendix DA, which is/are attached hereto and incorporated herein by reference.

HOSTING

SBC-AMERITECH shall perform hosting responsibilities for the provision of billable message data and/or access usage data received from CLEC for distribution to the appropriate billing and/or processing location or for delivery to CLEC of such data via **SBC-AMERITECH's**

internal network or the nationwide CMDS network pursuant to the applicable Appendix HOST, which is/are attached hereto and incorporated herein by reference.

OPERATOR SERVICES (OS)

AMERITECH-ILLINOIS shall provide nondiscriminatory access to Operator Services under the terms and conditions identified in the applicable Appendix OS, which is/are attached hereto and incorporated herein by reference.

Signaling System 7 Interconnection

At CLEC's request, **AMERITECH-ILLINOIS** shall perform SS7 interconnection services for CLEC pursuant to the applicable Appendix SS7, which is/are attached hereto and incorporated herein by reference.

COMPENSATION FOR DELIVERY OF TRAFFIC

The Parties agree to compensate each other for the transport and termination of traffic as provided in Appendix Reciprocal Compensation.

ANCILLARY FUNCTIONS

Ancillary Functions may include, but are not limited to, Collocation, Rights-of-Way, Conduit and Pole Attachments. **AMERITECH-ILLINOIS** agrees to provide Ancillary Functions to TDS as set forth in Appendices: Collocation and ROW.

58. Customer Inquiries

- 58.1 Each Party will refer all questions regarding the other Party's services or products directly to the other Party at a telephone number specified by that Party.
- 58.2 Each Party will ensure that all of their representatives who receive inquiries regarding the other Party's services: (i) provide the numbers described in Section 58.1 to callers who inquire about the other Party's services or products; and (ii) do not in any way disparage or discriminate against the other Party or its products or services.

59. Disclaimer of Warranties

- 59.1 EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NO PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE INTERCONNECTION, RESALE SERVICES, NETWORK ELEMENTS, FUNCTIONS, FACILITIES, PRODUCTS AND SERVICES IT PROVIDES UNDER OR IS CONTEMPLATED TO PROVIDE UNDER THIS AGREEMENT AND EACH PARTY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR OF FITNESS FOR A PARTICULAR

PURPOSE. ADDITIONALLY, NO PARTY TO THIS AGREEMENT ASSUMES RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY ANY OTHER PARTY TO THIS AGREEMENT WHEN SUCH DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD PARTY.

60. No Waiver

- 60.1 CLEC's agreement herein to accept less than fully operational electronic interfaces to operations support systems functions on and after January 1, 1997, will not be deemed a waiver of Section 251(c)(3) of the Act to receive such interfaces on that date.

61 Other Requirements and Appendices

- 61.1 This Agreement incorporates a number of listed Appendices which, together with their associated Exhibits, and Addenda, constitute the entire Agreement between the Parties. In order to facilitate use and comprehension of the Agreement, the Attachments have been grouped under the following broad headings: Resale; Unbundled Network Elements; Network Interconnection Architecture; Ancillary Functions; and Other Requirements. It is understood that these groupings are for convenience of reference only, and are not intended to limit the applicability which any particular Attachment may otherwise have.
- 61.2 Appended to this Agreement and incorporated herein are the Appendices . To the extent that any definitions, terms or conditions in any given Appendix differ from those contained in the main body of this Agreement, those definitions, terms or conditions will supersede those contained in the main body of this Agreement, but only in regard to the services or activities listed in that particular Attachment. In particular, if an Appendix contains a term length that differs from the term length in the main body of this Agreement, the term length of that Appendix will control the length of time that services or activities are to occur under the Appendix, but will not affect the term length of the remainder of this Agreement, except as may be necessary to interpret the Appendix.

Sign and Print Name: Date

Sign and Print Name: Date

Position/Title
TDS

* Position/Title
SBC/Ameritech